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ABSTRACT

This curriculum guide is designed to provide some basic materials to assist in developing an introductory approach to entrepreneurship as a career option. Chapter 1 presents an overview of entrepreneurship education and possible teaching strategies, including a topical outline, resource suggestions, detailed descriptions of available curriculum materials, and a list of ideas that are helpful in planning infusion of entrepreneurship education into a vocational curriculum. Chapters 2 through 5 provide learning activities designed as handouts for easy duplication in the classroom. They provide a variety of learning experiences related to becoming an entrepreneur in these areas: Can I be an entrepreneur?, What experiences have I had?, What type of business could I start?, and How can I prepare to be my own boss? Chapter 6 (more than half of the document) contains the stories of 50 young vocational education graduates who started a business of their own. They are grouped to correspond to the four areas of chapters 2-5. Each case study provides name of entrepreneur; business name, address, and phone; type of business; a narrative description; and case study questions and answers. (YLB)

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- Providing information for national planning and policy
- Installing educational programs and products
- Operating information systems and services
- Conducting leadership development and training programs

ENTREPRENEURSHIP AS A CAREER CHOICE

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FOREWORD

Entrepreneurship education as a part of all vocational education programs was a priority established by the U.S. Department of Education, in the early 1980s. It presents a major change in the perspectives many have about the outcomes of vocational education. And change takes time. Today the acceptance of entrepreneurship as an infusion priority is gradually gaining momentum nationwide.

Many products are now available for use in the classroom to help students learn the management, marketing and planning skills necessary to start up a new small business and run it well. Teacher inservice has been designed and is available on a state or local basis for such materials. But very little effort has been focused on the career decision process for vocational students to develop an understanding of their options to start a business in their lifetimes. Such is the purpose of this new classroom product.

This curriculum guide represents the efforts of many states to find young vocational graduates who are now entrepreneurs to serve as role models for today's students. It is based on a curriculum product designed for Ohio and funded by the Ohio Division of Vocational and Career Education. We are indebted to Sonia Price, Ohio's representative to the National Entrepreneurship Education Consortium members, for her leadership in identifying the need for role models and in funding a pilot project. And we are also indebted to the other consortium members for their assistance in nominating successful young entrepreneurs from 22 other states.

The National Center expresses its appreciation to the U.S. Association for Small Business and Entrepreneurship for their award to two of these young business role models. Their participation was the motivation for collection in each state and submission of hundreds of applications for selection for this curriculum guide.

Many thanks also to the young entrepreneurs who have contributed much time in telling their stories for the case studies included in the product.

Our sincere appreciation is extended to the external reviewers who contributed their time and effort to provide input on the final product. They were Dr. E. Edward Harris, Professor of Marketing and Entrepreneurship Education at Northern Illinois University, DeKalb, Illinois; and Lisa Fischer, Project Manager of the Marketing and Education Resource Center, a division of Interstate Distributive Education Curriculum Consortium, Columbus, Ohio.

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Chester K. Hansen
Acting Executive
Director
The National Center
for Research in
Vocational Education

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EXECUTIVE SUMMARY

Vocational students will need to know their options to be entrepreneurs as well as employees as we move toward a changing economy of the future. It is logical to expect that the current growth in new small business development will continue as larger businesses tighten their belts for global competition. And this growth represents an opportunity for innovation and application in all the industries for which vocational students prepare.

The entrepreneurship economy of the future provides a new approach for teaching the job skills to millions of America's youth. Not only should we teach the way a task has always been done, but we should provide opportunities to learn about how it could be done so that we can find new ways to do it even better in the future. Entrepreneurship education is a vehicle to become more future oriented in each of the industries we represent. And vocational programs provide a special advantage to those young people who need the skills and creativity to make a new business of their own a successful proposition.

Entrepreneurship education has been identified by the 1,715 small business delegates at the 1986 White House Conference on Small Business as their 6th priority for recommendations to Congress. A lifelong learning approach beginning with primary education and continuing through all levels of education was identified. The National Center supports this recommendation with its five-stage lifelong learning model depicted in figure 1, in the first chapter of this guide.

The first stage, BASICS, suggests that entrepreneurship as a career option should be presented before teaching the competencies needed to actually start a business. This guide is designed to help students explore the possibilities of entrepreneurship. It provides a number of activities that focus a student's thinking on the need to consider entrepreneurship as a career option, no matter what industry they are studying to enter. In fact, entrepreneurship can be an ultimate goal for every career decision and an option that emphasizes the need for broad knowledge, experience, and expertise.

Creative vocational educators are using entrepreneurship to accomplish the following for vocational students:

- Career planning--a sense that entrepreneurship may be a capstone goal for any industry they choose
- Business understanding--a better sense of the problems of their employer
- Application of skills--a way to look for options to use their job skills in the community

- Community understanding--an opportunity to explore the needs of the community as it relates to their occupational field

- Self understanding--experiences that help students understand their own interests, aptitudes, and career choices, and

- Orientation to change--a way to look for specific changes that will affect their industry area in the future.

Activities in this curriculum guide provide a great variety of learning experiences related to becoming an entrepreneur. They are based on the premise that risk has a different meaning to an entrepreneur than to others. Entrepreneurs tend to feel that others consider their idea to be a risky venture, but they believe they can do it. If young people want to get to that level of confidence, they can set goals while still in school, look at job experience and training as part of their preparation, and build the "can do" attitude typical of American entrepreneurs.

The activities in this guide are designed to support a series of questions that young people should answer as they consider becoming an entrepreneur. They include the following:

Can I be an entrepreneur?

- What do you know about yourself?
- What do we know about entrepreneurs?
- How are you like entrepreneurs?
- How does entrepreneurship affect life-style?
- What are your life-style preferences?
- Are your preferences compatible with becoming an entrepreneur?
- How can entrepreneurial career planning help you?
- Do you know yourself better than before?

What experiences have I had?

- What is experience?
- What types of aptitudes might you have?
- What are your interests?

- What knowledge is important to an entrepreneur?
- What skills will I need as an entrepreneur?
- How does an entrepreneur gain expertise?
- Can you choose a career goal?

What type of business could I start?

- What is a business idea?
- Where do you get your business ideas?
- What business ideas can you think of related to using your vocational training?
- How can interests, skills, and hobbies lead to a business idea?
- What business might you start someday?
- Why should you know about your community?
- How large is your community?
- Why should you know about the people?
- Why should you know about competition?
- Why should you know about changes in your community?

How can I prepare to be my own boss?

- How do entrepreneurs view risk?
- Is becoming an entrepreneur too risky?
- Why worry about decisions?
- How do you make your decisions?
- Why are goals important?
- How do you reach your goals?
- Why should you begin to build resources?
- What types of resources should you begin to build?
- Who are the contacts?
- What do you need to be prepared to do?

Instructors may use all or part of the activities to encourage students to think about their entrepreneurship options. The activities have been designed as handouts for easy duplication in the classroom.

Entrepreneurs who have been vocational education students provide important role models for individuals who don't believe it can be done. Too often, because educators and students alike have no real-life experience with entrepreneurship, they believe that starting your own business is impossible. The young people featured in the case studies in this guide are former vocational students from across the nation. Their stories are fun to read, exciting to discuss, and strong motivation for others to look at entrepreneurship as a very real possibility in their lives.

This curriculum guide provides a wealth of learning activities that can be used in any type of vocational class as an introduction to entrepreneurship. It is self-contained for the busy teacher who has little time to develop curriculum materials. It is offered with the hope that all vocational programs will find it useful in developing the entrepreneurial spirit of tomorrow among today's vocational students.

> "Entrepreneurs are not born...they become. It is the experiences in their lives that help them to see that the American dream is possible for everyone." (Shapero 1982)

CHAPTER 1.

INSTRUCTOR GUIDELINES

This chapter has been designed to provide an overview of entrepreneurship education and possible teaching strategies It will help the instructor to design a program and use the student learning activities provided in the rest of this guide.

Introduction

Entrepreneurship education is a lifelong learning process that could greatly benefit many of today's struggling entrepreneurs. The experiences, skills, and attitudes necessary for successful small business development are not learned at any one place or time. In fact, the earlier young people can begin to learn the opportunities and skills associated with entrepreneurship, the more likely they are to be successful as entrepreneurs.

This lifelong learning process can be described in five stages, with different student and program outcomes at each stage. (See figure 1) Stage 1 is for activities that encourage **entrepreneurship as a career** anytime in the educational system. It suggests that being your own boss may be a motivation for learning basic skills and the benefits of the free enterprise system. Stage 2 is designed to teach an understanding of the **management skills** one must develop to run a business. This stage is considered important for all high school vocational students and could be described as basic business skills needed to increase productivity. Stage 3 represents the next level of development, generally found in advanced high school vocational programs or in 2-year colleges. It provides more in-depth understanding of the competencies needed to become a successful entrepreneur, and it encourages the student to dream a bit--to plan a business that might be started using acquired vocational skills.

The first three stages of the lifelong learning model represent a challenge for the educational system. Education for future entrepreneurs has been relatively nonexistent in our public educational system in the past. Emphasis on business courses within this system has been largely concerned with preparing individuals to work for corporate America. Until now, business management expertise has been considered primarily a college-level endeavor. Entrepreneurship education can be a vehicle to explore all the opportunities in our society for careers, including the world of entrepreneurs.

The last two stages of the lifelong learning model address the continuing need to help entrepreneurs get businesses started and keep them running successfully. This is beyond the role of our traditional public educational systems for in-school youth. However, there will continue to be, a great need for such assistance from adult educators. It has been estimated that one-half of the new businesses in the United States fail in the first 2 years (U.S. Small Business Administration 1984). With the absence of entrepreneurial skills education in the public schools, these last two stages of the model have carried most of the responsibility for support systems for our entrepreneurial society in the past. By increasing entrepreneurship education, it seems possible that small business people may have fewer failures in the future.

LIFELONG ENTREPRENEURSHIP EDUCATION MODEL

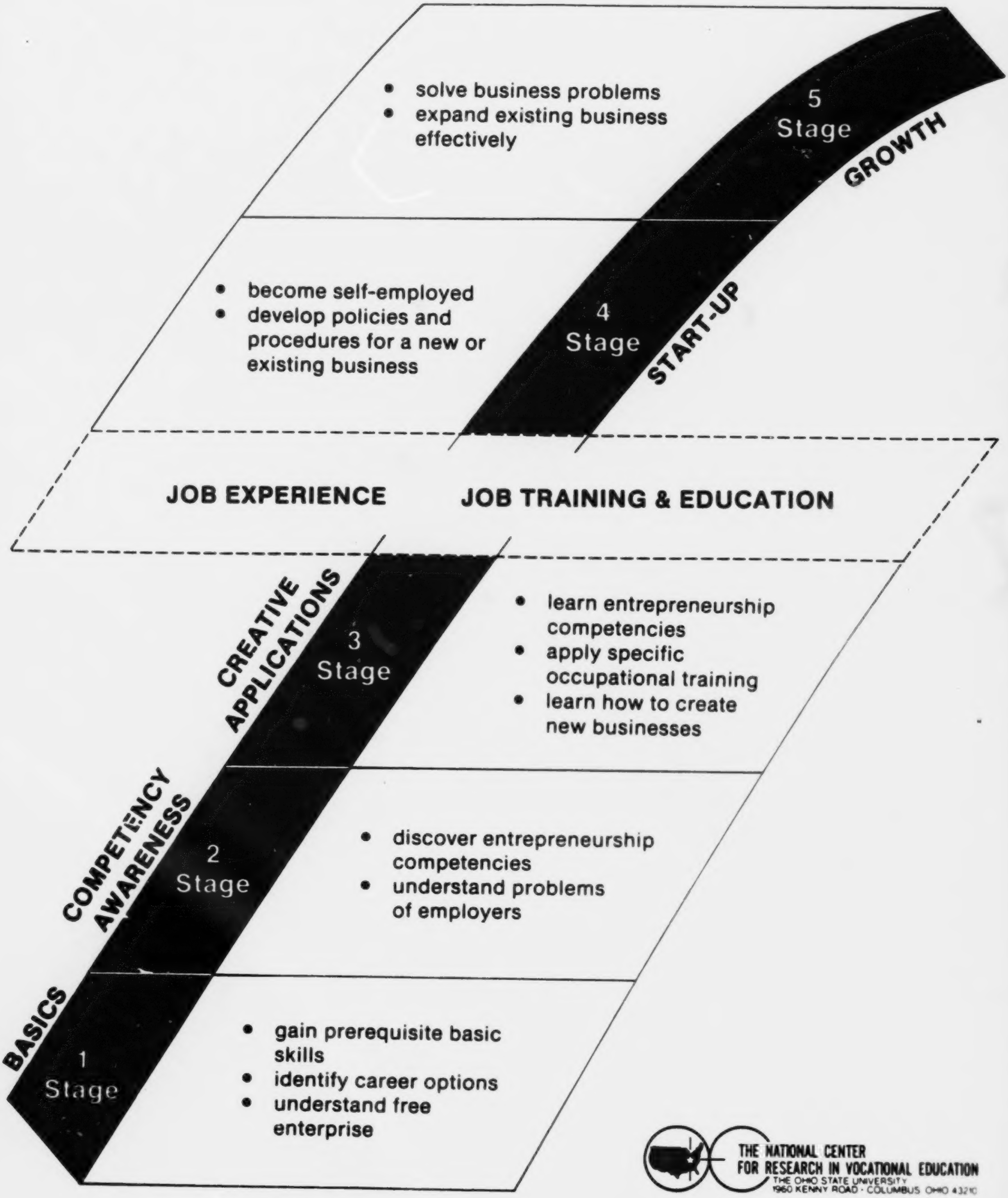
5 Stage
GROWTH
solve business problems
expand existing business effectively
4 Stage
START-UP
become self-employed
develop policies and procedures for a new or existing business
JOB EXPERIENCE
JOB TRAINING & EDUCATION
3 Stage
CREATIVE APPLICATIONS
learn entrepreneurship competencies
apply specific occupational training
learn how to create new businesses
2 Stage
COMPETENCY AWARENESS
discover entrepreneurship competencies
understand problems of employers
1 Stage
BASICS
gain prerequisite basic skills
identify career options
understand free enterprise
THE NATIONAL CENTER FOR RESEARCH IN VOCATIONAL EDUCATION
THE OHIO STATE UNIVERSITY
1960 KENNY ROAD · COLUMBUS OHIO 43210

Figure 1. Lifelong Entrepreneurship Education Model

Entrepreneurship means a "new look" for vocational education. The following benefits should dispel any doubts concerning the value of entrepreneurship education to students and society.

- Parents, particularly those in business, may see vocational education as a stronger option for their children.
- Programs will have a new motivating element for risk-taking, turned-off youth.
- Employers are enthusiastic about the greater understanding that their employees will have concerning small business problems.
- Students will have an alternative to unemployment if jobs in their field are scarce.
- Bright, young people can demonstrate their creativity in a guided educational setting before competing in the real world.
- School administrators will find reason to upgrade their expectations of vocational students.
- Educators will see added benefits for students in vocational programs and encourage all students to get involved.
- Students can see alternative benefits for the competencies they are learning in vocational education.

Use of the Guide

This guide is designed to provide some basic materials that will assist you in developing an introductory approach to Stage 1, entrepreneurship as a career option. Discussion questions, activities, and success stories in the form of case studies are provided to give a series of learning experiences at Stage 1. Additional resources and instructional ideas are included in this product to assist the instructor in choosing the appropriate curriculum for each group of students.

The following questions include key concepts that lend direction to the introduction of entrepreneurship as a career option. Activities and success stories are provided for each of the four main topic areas. The activities provide enjoyable learning experiences and the success stories give students the opportunity to evaluate former vocational students' experiences in operating successful businesses.

Topical Outline

The subtopic questions may be used as a guide in gathering further information and resources for your entrepreneurship curriculum. These questions are also used at the conclusion of each chapter of this guide as a reinforcement activity.

Section 1: Can I be an entrepreneur?

- What do you know about yourself?
- What do we know about entrepreneurs?
- How are you like entrepreneurs?
- How does entrepreneurship affect life-style?
- What are your life-style preferences?
- Are your preferences compatible with becoming an entrepreneur?
- How can entrepreneurial career planning help you?
- Did you know? (Facts about entrepreneurship).
- Do you know yourself better than before?

Section 2: What experiences have I had?

- What is experience?
- What types of aptitudes do you have?
- What are your interests?
- What knowledge is important to an entrepreneur?
- What skills will I need as an entrepreneur?
- How does an entrepreneur gain expertise?
- Can you choose a career goal?

Section 3: What type of business could I start?

- What is a business idea?
- Where do you get your business idea?
- What business ideas can you think of related to using your vocational training?
- How can interests, skills, and hobbies lead to a business idea?
- What business might you start someday?
- Why should you know about your community?
- How large is your community?
- Why should you know about the people?
- Why should you know about competition?
- Why should you know about changes in your community?

Secton 4: How can I prepare to be my own boss?

- o How do entrepreneurs view risk?
- o Is becoming an entrepreneur too risky?
- o Why worry about decisions?
- o How do you make your decisions?
- o Why are goals important?
- o How do you reach your goals?
- o Why should you begin to build resources?
- o What types of resources should you begin to build?
- o Who are the contacts?
- o What do you need to be prepared to do?
- o Where can an entrepreneur go for assistance?

Resource Suggestions

Effective entrepreneurship education requires working with a wide variety of resources and contacts in both the school and community. Some possible resources follow, along with a brief description of the information each may contribute:

- **Guidance counselors** are a link to the students. Their active support of entrepreneurship education will build student awareness and interest.

- **Vocational teachers** have a rich supply of technical expertise. A business teacher might present a session on record-keeping, for example. These teachers may also have other contacts/resources that they would be willing to share.

- **Administrators** usually have a broad network of resources. They may have contacts with model entrepreneurship programs or other special programs. Also, their approval is usually essential in planning innovative activities such as field trips, workshops, and guest speakers.

- **Advisory committees** are a good source of contacts. They can offer technical expertise, serve as guest speakers, or recommend others to serve in these capacities.

- **School librarians** can enrich entrepreneurship education by keeping abreast of journal articles, reports, market surveys, and books that give up-to-date information on small business.

- **Chambers of commerce** can promote community awareness and support for entrepreneurship education in schools. Guest speakers may also be available from chambers. In fact, many chambers have built active partnerships with the schools.

- **Career education staff** may be willing to help infuse entrepreneurship as a viable career option.

- U.S. Small Business Administration (SBA) provides a wealth of information on local resources. They have information on SCORE (Service Core of Retired Executives), ACE (Active Core of Executives) as well as access to state Small Business Development Center resources, publications on many aspects of small business ownership, and workshops/seminars on entrepreneurship education.

- Trade associations offer technical expertise in specific areas. They may supply guest speakers and current research to ensure state-of-the-art approaches in their industries.

- Local entrepreneurs are usually willing to share their experiences and provide role models for students. Those who came from vocational programs usually have school-based experiences that helped them get into business.

- Two-year colleges have a variety of programs to prepare future business people. Instructors of high school and 2-year college programs in the community might work together to plan advanced placement or to articulate programs.

- Adult vocational education staff in many communities work with small business people to improve their management and problem-solving skills. These staff person can be a valuable resource to high school instructors as linkers to local entrepreneurs and as experts on small business in the community.

Available Curriculum Materials

Many products have been developed to teach entrepreneurship competencies. Instructors should review some of the following products to determine their preferences for classroom materials. In addition, it is helpful to know what is being taught at other levels of the five-stage lifelong learning model.

PACE

Program for Acquiring Competence in Entrepreneurship (PACE) is an individualized competency-based entrepreneurship curriculum.

PACE is available at three levels of learning. Each level progresses from simple to complex concepts. The three levels of learning pattern is based on the belief that student achievement is greater when learning is sequenced from basic, fundamental concepts to more advanced, complex skills in an organized fashion and when it meets the present needs of the students.

Each level of PACE has a set of 18 instructional units. Each unit deals with a competency and a number of enabling objectives. Each unit is learner-centered with opportunities for instructor enrichment and facilitation. All units are self-contained and are independent of each other. They are, however, sequenced in a logical progression of topics for a person considering entrepreneurship. All units follow the same format and include the following:

- Objectives
- Preparation
- Overview
- Content
- Activities
- Assessment
- Notes and sources

Also, each level of PACE features a "Going into Business" project designed to match the developmental level of students. The project for level one is a group fund-raiser done "entrepreneurship style." The project for level two provides an opportunity to dream and create the details about a future business. The project for level three is a real planning program for the entrepreneur about to start a business--a check-list for the plans that should have been made before opening the doors for business.

PACE is adaptable to a variety of teaching and learning styles. A smorgasbord of activities is laid out at the end of each unit. Instructions call for mixing and matching components of PACE to use as complete curriculum or in combination with other activities or resources. In addition to the individual modules, PACE also contains instruction guides, a comprehensive resource guide, and certificates of completion.

The 18 topics addressed at each of the 3 levels of PACE are as follows:

- Understanding the Nature of Small Business
- Determining Your Potential as an Entrepreneur
- Developing the Business Plan
- Obtaining Technical Assistance
- Choosing the Type of Ownership
- Planning the Marketing Strategy
- Locating the Business
- Financing the Business
- Dealing with Legal Issues
- Complying with Government Regulations
- Managing the Business
- Managing Human Resources
- Promoting the Business
- Managing Sales Efforts
- Keeping the Business Records
- Managing the Finances
- Managing Customer Credit and Collections
- Protecting the Business

PACE LEVEL 1

Target audience: secondary level

Possible settings: vocational programs
career education courses

Length of units: minimum of 1 hour of class time, 18 hours total

Reading level: 7th grade

Activities: short-term application activities

Level 1 is an introduction or orientation to entrepreneurship topics. It allows students to become familiar with the concepts involved in and to develop an awareness of entrepreneurship as a career option. The focus is on what it takes to become an entrepreneur, not on how to become one.

Students will increase their economic literacy and make better employees as the result of studying this level of PACE because they will gain understanding of the free enterprise system and of the problems of employers.

The "Going into Business" project for level one leads the student step-by-step through each element of a group fund-raising project plan. The student council of Scarlet Oaks Joint Vocational School in Cincinnati, Ohio sponsored an Entrepreneurship Day for the entire school. Utilizing the level one project outline, each class developed a written proposal for a money-making booth, game, or service for the whole school to enjoy. Approximately 900 students took part in the activities. This was an excellent opportunity for students to apply the principles learned in their entrepreneurship classes.

PACE LEVEL 2

Target audience:	advanced secondary level postsecondary level adults without previous knowledge about the area
Possible settings:	advanced vocational programs two-year and four-year college courses adult education classes all occupationally oriented courses
Length of units:	approximately 2 hours of class time, 36 hours total
Reading level:	9th grade
Activities:	applications using existing business as sources of information

Level 2 provides an opportunity to learn about and try out entrepreneurship ideas enough to make a preliminary assessment of how they relate to personal needs. This level is for students who desire in-depth knowledge about creating a new business and opportunities to "dream" about entrepreneurship as a future career option.

This level focuses on individual needs and ideas whereas level one has a group focus. Detailed explanations of entrepreneurship principles are provided as well as planning instruction on how to find information and use techniques. Creativity and future industry orientation are important outcomes of this level.

PACE LEVEL 3

Target audience:	postsecondary level advanced secondary level adults wanting training or retraining for application
Possible settings:	all occupationally oriented courses continuing education
Length of units:	approximately 3 hours of class time
Reading level:	10th grade
Activities:	actual application of a business plan

Level 3 is for students who have some business knowledge and are ready to start their own businesses--or improve existing businesses. This level helps students actually get into business through the application of entrepreneurial principles of organizing and managing a business.

Although this level was designed for entrepreneurship venture development and assumes previous knowledge and experience, instructors may find useful information and activities for expanding their secondary-level entrepreneurship curriculum. Policies and strategies for managing a selected business as well as detailed plans and preparations for implementation are emphasized in this applied instructional package.

The level 3 project assists students in writing a business plan that describes what they will be doing, why they will be doing it, and how it will be done. Upon completion of the project, each student will have a complete procedure book for his/her business.

SOURCE:

The National Center for Research in Vocational Education
The Ohio State University
Publications Office
1960 Kenny Road
Columbus, OH 43210-1090
(614)486-3655

PRICE:

Entire set	$ 45.00/level
Modules only	$ 35.00/level
Modules separately	$ 2.50 each
Level 1, 2, & 3 (entire set)	$120.00

• • • • • •

Beyond a Dream

Beyond a Dream: An Instructor's Guide for Small Business Exploration is designed to help adults decide whether it is both desirable and feasible to go into business. It combines adult education and small business management concepts. It is targeted for adults facing unemployment or career change, however, it can be used with clients of varying degrees of sophistication. The guide is an ideal resource for helping clients assess their self-employment potential and for teaching them the nitty-gritty details of getting started. As a result of the course, participants may decide to get more training before starting a business, work in a related business first, not go into business at all, or proceed with the business startup.

The 10-unit instructor's guide comes in a looseleaf notebook with complete course details for the instructor. Handout and transparency masters are included throughout the guide as well as exercises which give participants hands-on experience.

Activities designed to aid participants in developing business planning skills include--

- community interviews,
- business skills self-assessments,
- business development planning,
- business operations planning, and
- financial planning.

These activities keep participants involved as it takes them step by step through the decision-making process of whether or not to start their own businesses.

The Entrepreneurship Self-Assessment Profile is a sample activity taken from the guide. Although there is no test to determine who will or will not succeed as an entrepreneur, it is possible for participants to begin to see their entrepreneurial traits through such assessments.

The training package is adaptable to meet individual needs and multiple instructional settings. Instructors may combine or extend units as desired. Community resource people are an important part of the program.

Course goals, content and outcomes are depicted in figure 2.

SOURCE: PRICE: $25.00

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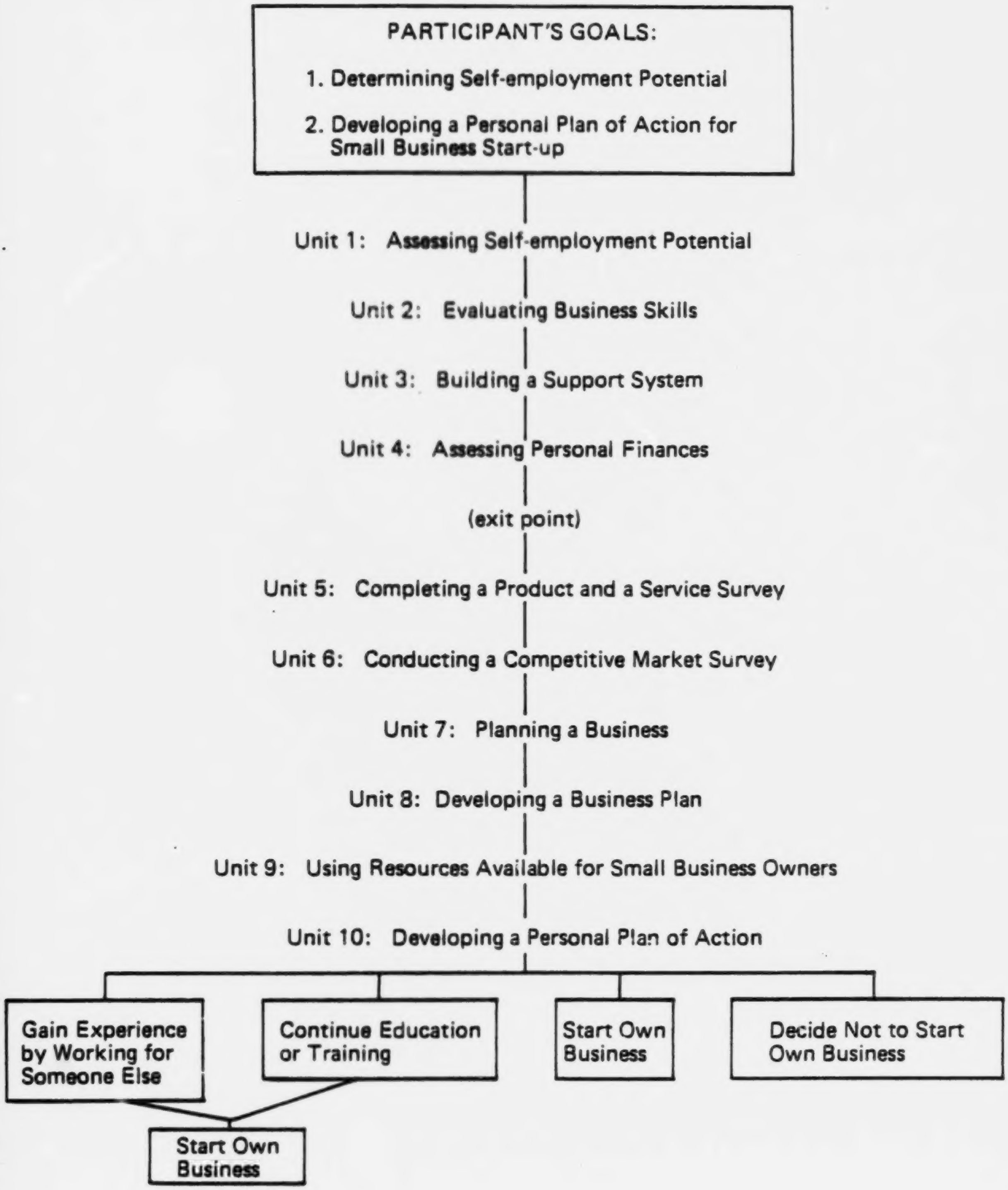
PARTICIPANT'S GOALS:
1. Determining Self-employment Potential
2. Developing a Personal Plan of Action for Small Business Start-up
Unit 1: Assessing Self-employment Potential
Unit 2: Evaluating Business Skills
Unit 3: Building a Support System
Unit 4: Assessing Personal Finances
(exit point)
Unit 5: Completing a Product and a Service Survey
Unit 6: Conducting a Competitive Market Survey
Unit 7: Planning a Business
Unit 8: Developing a Business Plan
Unit 9: Using Resources Available for Small Business Owners
Unit 10: Developing a Personal Plan of Action
Gain Experience by Working for Someone Else
Continue Education or Training
Start Own Business
Decide Not to Start Own Business
Start Own Business

Figure 2. **Business start-up exploration for displaced adults**

I Can Do It!

Produced by the National Federation of Independent Business, the I Can Do It! film series consists of three films of interest to entrepreneurship educators and their students. The series was developed to acquaint young people with the benefits and challenges of starting their own businesses. The purpose is awareness, not business skills development. These films show how three people from diverse backgrounds succeeded in their own businesses.

I Can Do It! The Ed Lewis Story focuses on what makes a successful entrepreneur and the rewards of success. Mr. Lewis overcame economic and societal pressures of being poor and black. Advantages and disadvantages of owning a business and the suitability of one's personal qualities to entrepreneurship are explored.

I Can Do It! The Judi Wineland Story tells the story of how Judi overcame her fears to start a successful travel business. Business selection, location choice, and some essential small business skills are presented. Students are made aware of the pitfalls they may encounter--or avoid--in setting up a business.

I Can Do It! The Stew Leonard Story shows how Stew transformed his business that was in jeopardy pf failing into a profitable one. The film emphasizes using creativity, instincts, discipline, and team spirit in a business. Using competitive prices, rewarding good employees, and pleasing customers are discussed by Mr. Leonard. The need to deal with problems that arise to keep the business going is stressed.

The film is accompanied by a teacher's guide, which is organized into four units. The first three units correspond to the three entrepreneurs depicted in the film and the final unit is a planning exercise intended to summarize and illustrate the ideas presented in the first three units. Unit titles are as follows:

- Owning Your Own Business
- Starting Your Own Business
- Building Your Own Business
- Planning Your Own Business

Each unit includes objectives, a unit outline, unit activities, and optional activities. The unit activities section supplies additional instructional information for a prefilm introduction, a class discussion of the film, and a general expansion of concepts addressed in the film. Optional activities include a pretest, a posttest, a self-rating scale, business interview guidelines, guest speaker suggestions, and possible field activities.

Each unit is planned to take an hour to complete. Times will vary depending on the experience of the students and the use of optional activities.

Films are available in 16 mm and 1/2 inch VHS and Beta videocassettes.

SOURCE:	DEVELOPED BY:
Direct Cinema Limited P.O. Box 69589 Los Angeles, CA 90069 (213) 656-4700	NFIB P.O. Box 7515 San Mateo, CA 94403

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"Open for Business"

"Open for Business" is an educational television series of six 30-minute videocassettes funded by the Maryland State Department of Education, and produced by Maryland Instructional Television. Target audiences include individuals considering entrepreneurship as a career choice and vocational education personnel wishing to integrate entrepreneurship education into their existing programs. The film has the following three objectives:

- Make students aware of entrepreneurship as a career option.
- Provide viewers with basic understanding of essential concepts of entrepreneurship.
- Provide technical information to those viewers who plan to open their own businesses.

Each of the six program topics is the focus of an instructional guide chapter: (1) Is It For You?--assessment of personal potential, (2) How Do You Start?--types of ownership, (3) Do You Know Your Market?--market analysis, (4) What's Your Plan?--business planning, (5) What's the Bottom Line?--financial management, and (6) How Do You Keep it Going?--managing the business.

The pilot for "Open for Business" was field tested with students and their instructors in senior high schools and 2-year colleges in Maryland. Information obtained regarding the program's design, production techniques, and format was applied to the entire video series and its print content.

SOURCE: PRICE: $300.00

Maryland Instructional Television
11767 Bonita Avenue
Owings Mills, MD 21117

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Entrepreneurship Education

Entrepreneurship Education, a three-volume set of materials, can be used at the secondary or adult levels. Volume 1, Learning the Skills, stresses personal skills needed to become a successful entrepreneur. It is designed for nineteen 50-minute sessions. Volume 2, Applying the Skills, centers around student-planned projects and includes four miniprojects that provide students with the opportunity to apply entrepreneurial skills. Volume 3, Supplementary Readings, contains additional readings for students.

SOURCE: PRICE: $19.50

Curriculum Publications Clearinghouse
76 B Horrabin Hall
Western Illinois University
Macomb, IL 61455
(309)298--1917

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Achieving Success in Small Business

Achieving Success in Small Business, a competency-based educational program for persons interested in small business ownership, consists of 12 self-study modules, 12 audiocassette presentations (1 for each module), and a guide on how to use the modules. In addition to the audiocassettes, each module contains reading materials and learning activities. Achieving Success in Small Business was developed for the new entrepreneur who does not have small business management experience. A trained teacher or counselor is needed to provide assistance with the materials.

SOURCE: PRICE: $75.00

Wisconsin Vocational Studies Center
University of Wisconsin
1025 West Johnson Street
Madison, WI 53706
(608) 263-5936

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E.T.C.

Entrepreneurship Training Components (E.T.C.) materials are targeted toward secondary vocational education students. The E.T.C. materials consist of the following:

- "Handbook on Utilization"--a guide that provides directions in use of the project materials
- "Resource Guide"--a guide to general and business-specific resources identified by the project
- "Getting Down to Business: What's It All About?"--an introduction to the career option of owning a small business that consists of a student module and a teacher guide.
- Thirty-five business-specific modules--each module introduces students to the career option of owning specific small businesses related to the seven major vocational education disciplines and includes a student's and a teacher's manual for each discipline.

SOURCE: PRICE: $200.00 for 36 module set

The Vocational Studies Center
University of Wisconsin-Madison
1025 West Johnson Street
Madison, WI 53706
(608) 263-4347

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Small Business Management and Ownership

Small Business Management and Ownership is a four-volume set of materials. Volume 1, Minding Your Own Small Business: An Introductory Curriculum for Small Business Management, is a freestanding course that provides students with an overview of what is required to open a small business. It covers basic definitions, forms of businesses, general marketing concepts, and business financing. This volume could be used alone or as the first year of a 2-year program.

Volume 2, Something Ventured, Something Gained: An Advanced Curriculum for Small Business Management, is an advanced course developed to follow volume 1. However, it could be used without volume 1 if the students have previous introductory business courses. It includes an ongoing student project (It's Your Business) incorporated throughout the units. Each student is asked to identify a business advisor from the community; activities relate to that business venture.

Volume 3, Location Decisions, and volume 4, Miniproblems in Entrepreneurship (a resource bank of individual and class activities focusing on basic skills and Learning Activity Packages (LAPS) on the special problems of women and minority entrepreneurs), are supportive materials. Volume 3 is a simulation game on making location decisions. Volume 4 is a compilation of base problems that are referenced in all units in the first two volumes. Miniproblems from volume 4 are recommended for use with each unit.

SOURCE:

PRICE: $22.75 for 4 volumes

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402
(202) 783-3238

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Learning Activity Packages (LAPS)

Targeted for secondary and postsecondary students, Learning Activity Packages consist of the LAPS themselves, a custom curriculum guide (CCG), and numerous classroom management aids and support materials. LAPS curreently are developed in the areas of--

- Economic Fundamentals
- Marketing and Business Fundamentals
- Mathematics
- Human Relations
- Selling
- Management
- Career Development
- Travel and Tourism
- Apparel and Accessories

The CCG identifies an individualized program of study based on students' career goals.

SOURCE:

Marketing Education Resource Center,
a division of IDECC, Inc,
The Ohio State University
1564 West First Avenue
Columbus, OH 43212
(614) 486-6708

PRICE: Contact Marketing Education Resource Center for current price

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The Small Business Management Training Tools Directory

This directory was developed to help identify supplementary materials to support program development for small business. Section 1 contains descriptions of free of charge Small Business Administration (SBA) materials. Section 2 provides descriptions and ordering details for comprehensive entrepreneurship/small business management training materials available from sources other than SBA. Section 3 provides information on materials by topic. Section 4 provides brief descriptions of model programs.

SOURCE: PRICE: $7.50

American Association of Community
and Junior Colleges
National Center for Higher Education
One Dupont Circle, NW
Washington, DC 20036
(202) 293-7050

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Inc. Magazine

Inc. Magazine bills itself as "the magazine for growing companies." It is also a good resource for educators teaching entrepreneurship. Standard features are "Letters to the Editor"; "Insider," which contains brief articles on events of interest related to small and growing businesses; and "Face-to-Face," an interview with a business person, such as People Express founder Donald Burr (August 1985). Other articles deal with an assortment of topics. Inc. Magazine is available at the newsstand or by subscription.

SOURCE: PRICE: $24.00/year

Inc. Magazine
P.O. Box 2538
Boulder, CO 80322
(617) 227-4700

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Venture: The Magazine for Entrepreneurs

Venture supplies up-to-the-minute developments in new entrepreneurial enterprises. Standard features are "Letters to the Editor"; "Entrepreneurs," which highlights new entrepreneurial ventures; "Your Business," which focuses on new business operations techniques; "You Should Know," which reports on legislation that impacts on entrepreneurs; "Venture Survey," which gives the results of monthly surveys done on entrepreneurs on various topics; and other assorted topics. Venture is available at the newsstand or by subscription.

SOURCE: PRICE: $18.00/year

Venture: The Magazine for Entrepreneurs
521 Fifth Avenue
New York, NY 10175-0028
(212) 682-7373

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Entrepreneur Magazine

Associated with the American Entrepreneurs Association, this Entrepreneur Magazine offers suggestions for improving business operations in addition to full-length articles on entrepreneurs who are operating profitable small businesses. Standard features include "Auditing the Books," which evaluates publications that supply financial management tips; "Computer Questions & Answers," which features the latest information on computers; "Trade-Show News," which gives information on specific industry trade shows; and assorted other topics. Entrepreneur Magazine is available at the newsstand or by subscription.

SOURCE: PRICE: $24.50/year

Entrepreneur Magazine
2311 Pontius Avenue
Los Angeles, CA 90064
(213) 478-0437

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Curriculum Planning Ideas

The following ideas may be helpful in planning the infustion of entrepreneurship education into a vocational curriculum.

Individualized Instruction

PACE and other materials can be used for individual student work on their plans for entrepreneurship.

Teacher Lectures

Any resource or combination of resources may provide content for teacher lectures. This method should be combined with others that provide students with entrepreneurship experiences. Students will learn most by applying the content of lectures to real experiences in small business planning.

Youth Group Activities

New competitive events could be designed to be a part of the organization's regular activities. Several vocational student organizations already have state and national competitive activities.

Fund-raising Class Project

More attention could be focused on the business operation components of the fund-raising project such as a market survey of what to sell, projected sales, a business plan, and the like. Students should plan and be responsible for all decisions so that they are the entrepreneurs, not just the workers.

Prepare a Business Plan

Business failures are most often due to poor planning. A business plan gives the business owner a sound operational structure. PACE and Beyond a Dream both give detailed instruction in planning a business.

Co-op/Internship Experiences

Students' on-the-job training could be with an entrepreneur in their service area. A program could be developed for teachers and/or students in which they would shadow an entrepreneur for a set period of time such as a week.

Entrepreneur Case Studies

Reports of how leading entrepreneurs in the state got their start could be used in addition to the case studies on former vocational students supplied here.

School Enterprises

Entrepreneurial competencies could be accomplished through the operation of a school store or other school-related enterprises. An all-day fair could be an entrepreneurial event drawing on the creativity of vocational classes to sell their products or services to the community.

Guest Speakers/Role Models

Successful local entrepreneurs, especially former vocational students, could be brought in to relate their experiences. Videotaping their presentations for future use would further their educational potential.

Small Business Courses and Counseling

The SBA offers courses on various topics concerning entrepreneurship in many locations throughout the state. Students and/or teachers could take advantage of this training. Contact your nearest SBA office to receive a calendar of courses.

Microcomputer Applications

Since entrepreneurs in virtually every occupational area use computers to perform functions specific to their business, computer literacy is essential to all vocational students. Computer assisted instruction could be used to educate students on entrepreneurship. School store or fund-raising records could be kept on the computer.

Simulations

A game, simulation activity, or computer software project that is based on entrepreneurship principles or techniques could be developed by the class or purchased from software developers and publishers.

Seminars/Conferences/Workshops

Specialized topics related to entrepreneurship could be addressed in seminars, conferences or workshops. Examples of some possibilities include--

- a special program for minorities,
- a special program on international small business,
- opportunities,
- a conference featuring leading local or state entrepreneurs, and
- the entrepreneurship fair or career day.

School-Based Enterprises

A real business could be started in a school by several students, an entire class, or many classes. Such a business must be needed by the community and often has potential for continuation by the students after they graduate. This is particularly useful where jobs are scarce such as in rural communities.

Competitive Events

Student contests could be developed rewarding academic achievement or creative application of competencies in entrepreneurship education.

Junior Achievement

This program is available for use in running a business within a vocational program. It can provide valuable additional resources and experts to get a business started.

Films/Videocassettes

Videocassettes of former local vocational students who have become entrepreneurs could be developed. Check with publishers or film rental agencies concerning new films about entrepreneurship.

Interviews with Entrepreneurs

Students could interview local entrepreneurs and report their findings to the class, or write reports about the interviews. Some of these entrepreneurs may be their employers, or become employers for your future students.

Young Entrepreneurs Support Group

A support group of young entrepreneurs could be developed for sharing resources, experiences and strengths. This group would be an excellent resource to the vocational school for speakers, mentors, role models, and possible seed capital.

Chapter 2

CAN I BE AN ENTREPRENEUR?

To the Instructor:

This section provides a number of learning activities designed to help students think about the life of an entrepreneur. These activities are intended for use with the case studies that focus on the following questions:

- What do you know about yourself?
- What is known about entrepreneurs?
- How are you like entrepreneurs?
- How does entrepreneurship affect life-style?
- What are your life-style preferences?
- Are your preferences compatible with becoming an entrepreneur?
- How can entrepreneurial career planning help you?
- Do you know yourself better than before?

The last activity in this section, "Think Tank", is a student diary to help students think through their personal attitudes about the characteristics of an entrepreneur.

What Do We Know about Entrepreneurs?

Instructions: Read the following statements. Decide which of these statements surprise you based on your personal experience. Be ready to discuss them with the class or in small groups.

Small business creators come in all kinds of sizes and shapes. No one can predict who will or won't make it work. Researchers have tried to find some common element for entrepreneurs that students may match. A recent report on entrepreneurs from the National Federation of Independent Business (1983) suggests the following:

- About 40 percent of entrepreneurs had a high school degree or less.
- About 50 percent of entrepreneurs had parents who owned a business.
- Thirty-five percent of entrepreneurs were under the age of 30.
- Entrepreneurs generally believe they can control their own future.
- It is psychologically easier to start a business when you are around others who are doing it.
- Job experience acts as an incubator for employees who are getting ready to branch into their own business.
- More than 50 percent of entrepreneurs start businesses in the areas in which they already have job experience.
- Personal savings are the most important source of funds to the beginning entrepreneur.
- Most people start businesses where they are already living and working.
- Qualities such as determination, energy, and an ability to learn from previous experience can make a difference.
- Successful entrepreneurs tend to seek advice from outside professionals.
- Success does not mean the same to all entrepreneurs.
- Entrepreneurs are influenced early in their lives by people like themselves who are already successful in business (role models).

Entrepreneurial Characteristics Activity

Instructions: Write two personal examples of the entrepreneurial characteristics listed below. Be ready to discuss the following with the class:

1. Your personal examples
2. Ways entreprenenurs may have developed some of these characteristics.
3. How you could develop some of these characteristics that you don't have, both on the job and at school.

Characteristic	General Examples	Personal Examples
Risk taking	Asking someone for a date Buying a car Playing sports	
Thirst for Learning	Going to school even when sick Working for someone else Reading unrequired books	
Independence	Choosing work to be done Deciding hours available for leisure activity Setting vacation time	
Responsibility	Admitting making a mistake Cleaning up a mess made Serving as chairperson of a committee	
Impatience	Changing suppliers because of a delayed shipment of merchandise Getting angry when you must wait in line Leaving a restaurant if you have to wait	

Characteristics	General Examples	Personal Examples
Time Management	Talking on the phone and writing a memo at the same time Turning in a report on time Taking a book you are reading to the doctors's office	
Resourcefulness	Installing a computer price ticket scanner to speed up slow checkout line Tying a shoelace back together when it breaks Resolving a customer complaint	
Determination	Trying different types of sales promotions until sales goals are met Applying for jobs until one is landed Asking for a raise until the boss says yes	
Goal setting	Projecting sales for the next year Planning to start a business Saving to buy a house	
Self-confidence	Knowing you are good in math, science, art, or whatever Believing in yourself Trying a new activity	
Leadership	Organizing and allocating work Holding a staff meeting Being elected an officer of a school club or organization	
Creativity	Making braille price tickets for a store that sells items to the blind Using air-filled plastic bags for floral arrangements Fast-food restaurants offering home deliveries	

Life-style Preferences

During a typical day, you make many choices about the activities you will do according to your values. The activities you would like to do are your life-style preferences. You don't always do the activities that you prefer because you have needs that must be met. For example, you may not wish to work at all. But since work is necessary for your basic survival needs such as food and shelter, you will work. Consequently, the challenge is to achieve a balance between your needs and preferences.

Instructions: Brainstorm examples of life-style preferences in small groups. Several examples are "going to parties", "making a lot of money", "having a secure job", and "taking vacations." Have each group member vote for the two most important to them. List the five most voted for preferences.

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

Each group should report their results to the class. Discuss the similarities and differences between groups.

Trade-Offs

For you to find satisfaction as an entrepreneur, there must be a match between the demands of entrepreneurship and your lifestyle preferences. Being the boss, feeling a sense of accomplishment, being creative, and having a challenging career are preferences that are highly associated with entrepreneurs. If you choose to become an entrepreneur, these preferences will often require you to sacrifice vacations, evenings at home with the family, watching TV, and many other leisure activities.

The compatibility of your preferences with entrepreneurship may not be so clear-cut. You may have conflicting preferences that you consider equally important, such as being the boss and spending evenings at home with family. In such situations, it is helpful to examine your other preferences to clarify the best choice.

Whatever the results of your examination today, your lifestyle preferences may change many times throughout your life as you gain new experiences and opportunities.

Instructions: Name and explain how at least one of your lifestyle preferences would be complementary to entrepreneurship as your future career.

Instructions: Name and discuss in writing at least one lifestyle preference you have that may cause a conflict if you become an entrepreneur, discuss whether or not you think the conflict would be worth the tradeoff.

Conflict Management

Instructions: In small groups role play one of the following examples of a conflict or create one of your own. Be prepared to discuss three ways the conflict you chose could be managed.

- The best party of the year is Friday night. You are scheduled to work and can't get your schedule changed.
- Your friends invite you to Florida for spring break but it is your own business's busiest season. Your business cannot withstand the lost income.
- Your all-time favorite movie is on TV tonight and you have no VCR. Your accountant informs you that you must have your books in order by 11:00 a.m. which means you will need to work on your books for the entire evening.
- You have a business idea which is sure to be a success but you must quit your job to start the business. Your wife is afraid of the risk.
- You see a friend shoplift and realize that because you are with her/him you will also be in trouble if you do not say something to her/him and she/he is caught. You also know that she/he will be angry at you if you do say something.

Three ways to manage your conflict:

1.

2.

3.

Conflict Interview

Instructions: Call a local entrepreneur and ask him/her the following questions concerning conflicts. Report the results to the class orally or in a written report.

1. What have been the most severe conflicts that you have had with your lifestyle since starting your own business?

2. How did you deal with these conflicts?

3. Do you feel that owning your own business has been worth the conflicts that you have had to deal with?

Entrepreneur Interview Questions

Instructions: Interview an entrepreneur and write a case study about him or her based on the responses.

1. When did you first decide that you wanted to work for yourself?

2. What were your career plans when you graduated from high school?

3. How many hours do you work a week?

4. Do you enjoy doing something just to prove you can?

5. Do you believe there should be security in a job?

6. Do you plan your tasks before getting started?

7. What are your hobbies?

8. How much time do you spend watching TV?

9. How much time do you spend with friends and family?

10. What do you like about having your own business?

11. What do you dislike about having your own business?

The Think Tank

Instructions: Summarize what you have learned in this section by writing your personal responses to these questions as a private journal entry to keep for use in your future career planning.

Can I Be an Entrepreneur?

- What do you know about yourself?

- What is known about entrepreneurs?

- How are you like entrepreneurs?

- How does entrepreneurship affect life-style?

- What are your life-style preferences?

- Are your preferences compatible with becoming an entrepreneur?

- How can entrepreneurial career planning help you?

- Do you know yourself better than before?

Chapter 3

WHAT EXPERIENCES HAVE I HAD?

To the Instructor:

This section provides additional student learning activities to help students think about the favorite experiences and personal interests that might provide a future opportunity to start a business. It helps them answer the questions:

- What is experience?
- What types of aptitudes might you have?
- What are your interests?
- What knowledge is important to an entrepreneur?
- What skills will I need as an entrepreneur?
- How does an entrepreneur gain expertise?
- Can you choose a career goal?

The last activity in this section, "Think Tank", is designed to help students further analyze themselves in relation to starting a business. It provides a continuing diary of their personal thoughts on this career idea. The corresponding case studies will be helpful in thinking about their opportunities.

Aptitude Exploration

Instructions: After reviewing the following aptitudes and examples, choose four aptitudes that best describe your strengths and write two personal examples of experiences that caused your choice of the aptitude.

APTITUDES

Personal Examples

Verbal or nonverbal communication
- Talking on the phone for long periods
- Nodding your head or shrugging your shoulders, talking without words

Verbal comprehension
- Following instructions on an exam
- Dressing for rain after hearing the weather report

Logical
- Figuring out how to get into the house when you do not have the key
- Solving a mystery before finishing the book, because of the clues the author left

Artistic
- Acting in a skit
- Drawing a sketch

Mechanical
- Fixing a broken toaster
- Knowing how to jump-start a car when the battery dies

APTITUDES

Personal Examples

Numerical
- o Measuring ingredients for a cake
- o Calculating how much paint you need to paint a house

Clerical
- o Answering a telephone switchboard and taking messages
- o Using a word processor to write letters

Spatial
- o Designing a bird house to fit between two branches of a tree
- o Packing a picnic basket

Physical
- o Participating in sports
- o Kneading bread

Organizational
- o Deciding how you will get all your homework done and go out on Saturday night
- o Directing a meeting

Intellectual
- o Learning your Spanish vocabulary words for a quiz
- o Reading a book of your choice

Interest Search

Instructions: List 10 hobbies that you have enjoyed doing in your life thus far. List at least one reason why you enjoyed each one. Look for common interests that may lead you to become an entrepreneur.

	Hobbies	Why Enjoyed
Example:	baking cakes	fun to create something
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

Profitable Interests

Instructions: Develop a list of interests/hobbies that people have made into small businesses. Come up with names (examples) singly or working in small groups. The people that you might think of can be famous or people from your community, neighbors, friends, or relatives.

Some examples include:
Jimmy Carter: farming, carpentry (President of the United States)

Julia Child: gourmet cooking (gourmet cook)

Paul Newman: cooking, car racing (actor)

Jane Fonda: exercising (actress)

	Name	Interests/Hobbies	Business
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

Life Experiences Develop Skills

Instructions: Categories are provided on this form to develop a partial inventory of the many skills that you already have. Focus on skills which would be helpful in operating your own business. You may have gained these skills at home, on the job, or in school. Beside each skill list where you learned it. You may be surprised to see how important all of your experiences are in acquiring valuable skills.

1. Handling Money Specific Tasks:	How learned
2. Getting along with others Specific Tasks:	How learned
3. Selling Specific Tasks:	How learned
4. Organizing Specific Tasks:	How learned
5. Directing activities Specific Tasks:	How learned

Sample Answers

1. Handling Money	How learned
o Saving money	o Home- since I was 10
o Have own credit	o Parent's card
o Pay bills	o School store manager
o Buy insurance	o Grandfather taught me
o Budget money	o Allowance

2. Getting along with others	How learned
o Consider others' feelings	o Home-large family
o Work as hard as others	o Job-it's a necessity
o Express caring for people	o Important in our family
o Motivate others	o Job responsibilities
o Smile	o See others win by smiling

3. Selling	How learned
o Present new ideas to boss	o Job experience
o Sold candy bars for class fund-raiser	o School experience
o Had garage sale	o Family does it regularly
o Sold raffle tickets	o School project-I was in charge

4. Organizing	How learned
o Gave party for friends	o Home-Mother let me do it all
o Planned awards ceremony	o School-club project
o Helped plan vocational club activities	o Vice-president of class
o Organized record keeping process	o Needed a way to keep track of broken toys at work

5. Directing activities	How learned
o Assigned duties for class cleaning project	o Chair person of project
o Promoted school dance	o On committee
o Scheduled employee meeting	o Job-experience
o Directed preparations for family picnic	o Mother was sick and I took over

Basic Skills for Business Owners

Instructions: All the knowledge that you have gained to the present day will help you in operating a business of your own. Try the following exercises to test one small part of this knowledge. Then discuss with the class the importance of math, reading and communication skills to business owners.

1. Problem: You have decided to sell chocolate chip cookies. You would like to sell ten dozen cookies per day. Your cost is $1.25 per dozen and you want to make $1.25 per dozen above cost. How much in total dollars will you need to take in per day?

2. Correct any spelling errors that you detect in this memo to a banker.

MEMO

To: Mr. Banker
From: I.M. Sucess

Do to the decrease in interest rates, I would like to refinace our currant 90-day loan at the lowest rate you now have avalable.

Thank you for your immediate attension to this matter.

3. Relist these accounts payable in alphabetical order to simplify your bookkeeping system.

Miller, L.J.
Cook, D.K.
Johnson, S.A.
Rollins, D.M.
LeFever, C.S.
Yeager, C.S.
Bateman, J.S.
Williams, M.B.
Bayer, E.J.
Swingle, A.A.
Kelly, I.L.
Baughman, O.L.
Hardesty, R.M.
Charles, P.E.

Answer Sheet

Math, reading, spelling, and bookkeeping understanding were essential to solve these problems. This is a simple example of how entrepreneurship combines all of your knowledge and skills.

1. (answer $25.00)

2.

> To: Mr. Banker
> From: I.M. Success
>
> Due to the decrease in interest rates, I would like to refinance our current 90-day loan at the lowest rate that you now have available.
>
> Thank you for your immediate attention to this matter.

3.
    1. Bateman, J.S.
    2. Baughman, O.L.
    3. Bayer, E.J.
    4. Charles, P.E.
    5. Cook, D.K.
    6. Hardesty, R.M.
    7. Johnson, S.A.
    8. Kelly, I.L.
    9. LeFever, V.G.
    10. Lewis, K.E.
    11. Miller, L.J.
    12. Rollins, D.M.
    13. Swingle, A.A.
    14. Williams, M.B.
    15. Yeager, C.S.

Skills Tally

Instructions: Call an entrepreneur who operates a business related to your vocational area. Read the skills list below to him or her and ask which three of these skills he/she thinks are most important to being successful in business. Check the three choices. Do a whole class tally and discuss the results in class.

_____ 1. Managing employees

_____ 2. Selling

_____ 3. Record keeping

_____ 4. Managing finances

_____ 5. Promoting the business

_____ 6. Technical knowledge of products or services

_____ 7. Self-confidence

_____ 8. Knowing your customer

Visualization Activity

Instructions: This activity requires the complete cooperation and concentration of each student. One person read softly and allow pauses where indicated. After the script is read, answer the visualization questions. Be prepared to discuss your answers in class.

Lesson Script

Close your eyes, picture a relaxing scene, and remain quiet for a few moments.

Pause

Now, imagine your life as you would like it to be 5 years from now.

Pause

It is morning and you have just awakened. As you sit up in bed, you look around the room. How large is your bedroom?

Pause

What does your furniture look like?

Pause

Now you get up and go to your closet. You open the closet and look over your clothes to decide what you will wear today. What kinds of clothes are in your closet?

Pause

What clothing do you choose to wear today? Are you pleased with your choice?

Pause

You are now going to the kitchen. As you enter the kitchen, what do you see?

Pause

How do you feel about your kitchen?

Pause

You are now ready to leave for work. Do you leave the house or work from your home?

Pause

If you leave home, what form of transportation do you use and how far do you have to go?

Pause

You are now entering your workplace. What do you see?

Pause

Who do you see, if anyone?

Pause

As you do your work, what are your feelings?

Pause

What are the things you like most about this job?

Pause

It is now lunchtime. Where do you have lunch? Do you have lunch at your desk or do you go out?

Pause

If you go out, where do you go?

Pause

Do you have lunch alone or with someone?

Pause

How long do you take for lunch?

Pause

You are now back at work. Are you absorbed in your work or watching the clock, hoping the day will end soon? What kinds of activities are you performing?

Pause

You have completed your work and are now on your way to your next destination. Where are you going?

Pause

What time is it?

Pause

What are your feelings as you arrive at your destination?

Pause

Now take a couple of minutes to review in your mind the most outstanding feelings, thoughts, and desires that you had during this activity.

Pause
2 minutes

You will now come back to the present. Open your eyes slowly and stretch if you like.

Pause

You have just experienced a long-term career plan that dramatically illustrates the impact of life-style preferences on your career plans. Hopefully, you have gained a clearer perspective of the impact of your career plans and preferences. They will add more direction and meaning to your life.

Let's take 20 minutes to answer the questions about your life 5 years from now as you have just visualized it.

Visualization Questions

1. How did you feel about this day?

2. Did you work with people, ideas, or things?

3. Were you using interests that you developed earlier in your lifetime?

4. What aptitudes were you using?

5. What skills were important to your job?

6. Did you work for someone or were you in charge?

7. What did you do this day that might someday help you to become an entrepreneur?

The Think Tank

Instructions: Summarize what you have learned in this section by answering the following questions as a private journal entry to keep for use in your future career planning. Add it to the same activity from section 1.

What Experiences Have I Had?

- What is experience?

- What types of aptitudes might you have?

- What are your interests?

- What knowledge is important to an entrepreneur?

- What skills will I need as an entreprenuer?

- How does an entrepreneur gain expertise?

- Can you choose a career goal?

Chapter 4

WHAT TYPE OF BUSINESS COULD I START

To the Instructor:

This section provides learning activities to help students focus in on some ideas for their own business of the future. It makes use of the ideas collected in sections 1 and 2. It is designed to facilitate answering the following questions:

- What is a business idea?
- Where do you get your business ideas?
- What business ideas can you think of related to using your vocational training?
- How can interests, skills, and hobbies lead to a business idea?
- What business might you start someday?
- Why should you know about your community?
- How large is your community?
- Why should you know about the people?
- Why should you know about competition?
- Why should you know about changes in your community?

Again, the "Think Tank" activity will provide a summary experience for business creativity. The case studies should provide valuable additional ideas for students with few personal role models. They may wish to read them individually and then discuss them in small groups.

Businesses Based on Your Vocational Training

Instructions: Think of all the businesses that you might start using your vocational training and work experience as a base. Don't worry about financing. This is your chance to dream on paper. List as many ideas as you can. Don't worry about how ridiculous they may seem.

Instructions: After you have a list you are proud of, choose one business from the list that you would most like to start. Explain your choice in terms of your life-style preferences, skills, and aptitudes.

Utilizing Opportunities

Instructions: The one thing for sure is that things will always change. Entrepreneurs thrive on change. Peter Drucker suggests that the only way to stay ahead of the rest of the world is to find new and better ways to provide products and services. List at least one possible invention or new business idea for each of the following opportunities. (Drucker, 1985, suggests that we evaluate these areas in search of innovation.)

1. An unusual event, such as the Olympics being held in your home town. ______________________________
   ____

2. A difference between the way things are and how they ought to be, such as working mothers not having enough time to meet their responsibilities. ______________________
   ____

3. The need for a different way to do something, such as an easier way to exercise your pet. ______________________
   ____

4. A change in the market or industry, such as a fad of bicycle racing. ______________________________
   ____

5. Signs of demand changes, such as an increase in foreign foods sales e.g., (McDonald's Chicken McNuggets Shanghai and Mexican fast food restaurants).______________________
   ____

6. Changes in people's attitudes, such as stricter drunk driving laws. ______________________________
   ____

7. New knowledge, such as medical advances that help people live longer ______________________________
   ____

Innovation

Instructions: Invent a new product or service. List features (facts) and benefits of your invention below then give a sales demonstration on it to the class.

Product or Service: ______________________________

Features:	Benefits:
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________
______________________	______________________

Class Market Survey

Instructions: Using this form, survey one class in the school to determine possible school-based business ideas. You may wish to do this by show of hands or redesign the questionnaire for each student to fill out separately. After combining responses for one or more classes discuss your suggestions for products and services that your school "market" could use.

1. How many in the class are: Male ________ Female _______

2. How many in the class are age
   14 _______
   15 _______
   16 _______
   17 _______
   18+ _______

3. Number in immediate family? (including self)
   2 ____
   3 ____
   4 ____
   5 ____
   6 ____
   7 ____
   8+ ____

4. Do you work? Yes _______ No _______

5. How many of the following do you like to do in your spare time?

   Reading _____
   Play music _____
   Sports _____
   Watch TV _____
   Drive cars _____
   Talk on phone _____
   Dance _____
   Go for walks _____

   Fix things _____
   Sew _____
   Cook _____
   Exercise _____
   Crafts _____
   Paint pictures or draw _____
   Babysit _____
   Write stories _____

6. What products or services would you like to be able to purchase at school that cannot currently be obtained there.

   o ____
   o ____
   o ____
   o ____

Based on the information you have collected, list three products that you believe would sell best to your class. Give reasons for each choice.

	Product	Reasons
1.	________________________	________________________________
		________________________________
		________________________________
2.	________________________	________________________________
		________________________________
		________________________________
3.	________________________	________________________________
		________________________________
		________________________________

Now you may turn this in to your instructor.

A Community Study

Instructions: Ask students to survey community data in resource books in the school library. These might include census data, Sales Management's "Survey of Buying Power", etc. They should find out as much as possible about current and projected data and compare it with past data to determine possible changes in local markets. The local chamber of commerce may also have basic information of use to the group. After answering the following questions in writing, students should decide what these statistics mean for the kind of business they hope to start some day.

1. What is the population of your city ___________
   county ___________
   state ___________

2. What is the per capita income?

3. What is the population breakdown by age?

4. What is the population breakdown by minority groups?

5. How do jobs break down by major industry?

6. What are the largest industries in the area?

7. How many major shopping malls are there within a 20 mile radius?

8. What are the major cities in your state in order of population size?

9. What major changes have taken place in your city, county, or state in the past 10 years?

10. What other data can you find to describe your locality?

Field Assignment

Instructions: Go to a local department store and find five products that are being marketed to our country from other countries. Be sure products are from at least three other countries. Give possible reasons customers may choose to buy these products instead of American made products.

Product	Reasons
1.	
2.	
3.	
4.	
5.	

International Culture

Instructions: Conduct library research on the culture of another country. Jot down your findings below. Based on these findings, determine a product or service that should do well in that country. Explain your decision and findings to the class.

Country:

Product or Service:

Findings:

Decision:

International Markets Exhibit

Instructions: Using the space provided below, develop a plan for an exhibit that will illustrate the market needs and cultural issues that Americans selling goods and services in a specific foreign country should consider. Choose one country and focus on the unique differences of that country (e.g.), language, dress, rituals, religion, women's roles, and so forth. Implement your plan in a small group. Set up the exhibits in the school cafeteria and invite the entire school to review the exhibition.

Entrepreneur Interview Questions

Instructions: Ask an entrepreneur of your choice the following questions. Based on the responses you receive, write a case study about her or him.

1. Where did you get the idea for your business?

2. Did your interests, skills, and/or hobbies lead to your business idea? Briefly explain.

3. How would you define your market area?

4. What do you feel is important to know about your customers?

5. What do you know about your competition?

6. What changes have affected your type of business?

7. What changes do you predict may affect your business in the future?

My Business

Instructions: Now that you have had the opportunity to consider many different business ideas, choose your favorite idea and answer the following questions as if you are actually going to start the business.

1. What is the name of your business?

2. What kind of business is it?

3. What makes your business the best?

4. Where is your business located?(at home, downtown, in a suburban mall)?

5. What kind of customers are attracted to your business? Do you sell a product or service to housewives, working women, children, music lovers, mechanics, and or others?

6. How is your business related to your vocational area of study?

7. Do you use any of your aptitudes or interests in your business? Which ones?

8. What are your total yearly gross sales?

9. How many employees work for you?

10. What hours is your business open?

The Think Tank

Instructions: Summarize what you have learned in this section by answering the following questions. Keep this as a private journal entry to use in your future career planning.

What Type of Business Could I Start?

- o What is a business idea?

- o Where do you get your business ideas?

- o What business ideas can you think of related to using your vocational training?

- o How can interests, skills, and hobbies lead to a business idea?

- o What business might you start someday?

- Why should you know about your community?

- How large is your community?

- Why should you know about the people?

- Why should you know about competition?

- Why should you know about changes in your community?

Chapter 5

HOW CAN I PREPARE TO BE MY OWN BOSS

To the Instructor:

This final section of learning activities gives the student an opportunity to look at risk as an "opportunity" for which one can prepare. It is designed to help students set some goals and make long range career decisions that can help to move them towards entrepreneurship in their future. Students will answer the following questions:

- How do entrepreneurs view risk?
- Is becoming an entrepreneur too risky?
- Why worry about decisions?
- How do you make your decisions?
- Why are goals important?
- How do you reach your goals?
- Why should you begin to build resources?
- What types of resources should you begin to build?
- Who are the contacts?
- What do you need to be prepared to do?

As a final activity beyond completing the "Think Tank" for this section, you may also want to develop a videocassette featuring your own local entrepreneurs. A story- board outlining possible copy and design will be available separately. As a result of using this product, your students should have ample opportunity to think about the future and see a wealth of career opportunities open to them on the way to a possible career as an entrepreneur. And, if they never start a business, they will nevertheless expand their vision of future careers.

What Is Risk?

Instructions: Risk is different to each person, but generally it means the fear of failure, sticking your neck out, taking a chance, not being sure of yourself. Risk isn't risk when you have the confidence in your ability to do something, and experience builds confidence. List some situations that you once viewed as risky but no longer see as a risk. Explain why each situation is no longer risky and be prepared to discuss your reasons with the class. Examples may include the following:

- The first day of school
- Trying out for a club or team
- Applying for your first job
- Asking someone for a date
- Speaking in class or in a group
- Water skiing the first time
- Asking someone if they like you

	Situation	Explanation
1.		
2.		
3.		
4.		

Risk vs. Opportunity

Instructions: Consider the risks involved in the following examples but focus on the opportunities each situation presents. Write the risk involved and one possible opportunity for each event. Explain what you would do to minimize the risk, thereby maximizing the opportunity.

1. You are invited to try out for a school activity that you have always wanted to do, such as basketball, football, band, drill team, and so forth. You hear that the competition is stiffer than ever this year.

   Risk ______________________________

   Opportunity ______________________________

   Explanation ______________________________

   ____

2. You have been elected to find an exciting speaker for the basketball team's awards banquet. You learn that the Harlem Globetrotters will be in town the week of the banquet. A friend mentions that his father has their agent's phone number.

   Risk ______________________________

   Opportunity ______________________________

   Explanation ______________________________

   ____

3. Your teacher believes that you could win the state vocational club competition. Entering the contest requires staying after school every day for a month to do a project. Due to your job and homework, after school is the only time you have to be with your friends.

   Risk ______________________________

   Opportunity ______________________________

   Explanation ______________________________

   ____

4. A new supplier offers you candy bars at 20 percent less cost than your current supplier for your class fund-raising project. Your current supplier fills your orders promptly and provides fresh candy bars. You don't know whether or not the new supplier is dependable. Your order must arrive within two weeks so that deliveries can be completed before Christmas break.

Risk ______________________________

Opportunity ______________________________

Explanation ______________________________

____

5. A supplier of what appears to be a very popular fad item offers you 200 of these items for your school store at 50 percent below regular wholesale price. The catch is that you must pay for them in advance and no returns are permitted.

Risk ______________________________

Opportunity ______________________________

Explanation ______________________________

____

6. You have a terrific idea for a business of your own. You can start the business now but your entire savings of $1,000 will be required to start the business.

Risk ______________________________

Opportunity ______________________________

Explanation ______________________________

____

Sample Answers

The following sample answers stress the fact that entrepreneurs often see risks as opportunities. They have proven repeatedly that the rewards more often go to those willing to take risks that have been carefully weighed and dealt with as opportunities.

1. Risk: Rejection, disappointment

   Opportunity: Fulfill long-time desire

   Explanation: Because you know there will be a great deal of competition you can:

   a) practice as often as possible before try-outs.

   b) ask people who have been through try-outs what is expected

   c) Learn about all that is involved in the activity to be sure you want to be involved

2. Risk: Embarrassment, refusal

   Opportunity: To have internationally popular speaker(s)

   Explanation: Because the Globetrotters are so popular, one might think that they would laugh at such a suggestion but there is the chance that they may accept.

3. Risk: Lost time with friends, failure to win

   Opportunity: Recognition for superior accomplishment

   Explanation: This is likely a once in a lifetime opportunity to test one's skills but requires the sacrifice of good times with friends. Devoting as much time as possible to preparation for the contest will maximize the opportunity to win.

4. Risk: Failure of the project, delay, lost customer good will

   Opportunity: Greater profits for class

   Explanation: Although potential increased profits are attractive, dependability of the supplier is essential to the success of the entire project. You could ask the supplier for references from other customers, then call the references to verify the supplier's dependability.

5. Risk: Overstock if merchandise isn't popular, lost money

Opportunity: Enormous profit potential

Explanation: If these items sell well, the store will enjoy terrific profits. If the items don't sell, the original investment will be lost.

6. Risk: Loss of hard-earned savings

Opportunity: Have your own business

Explanation: Although you feel sure your business idea is a good one, success is not assured. Learning all you can about owning and operating a business will minimize this risk. If you pass up the opportunity it may not be as profitable to do it at a later date--or competition may move in to lessen your profits.

How Do You Decide?

Instructions: Ask the class to pick the two or three methods each person uses most often to make decisions. After deciding on their own personal approach, the class should discuss the risks or rewards of each type of decision making. Ask for ideas of ways to improve their decision-making abilities.

We each have a different style of decision making that we use in various situations. Some of these styles are more effective than others. Look at the following strategies:

- **Impulsive.** Taking the first alternative; with little thought or examination involved
- **Fatalistic.** Letting the environment decide; leaving it up to fate--"whatever will be will be"
- **Compliant.** Letting someone else decide or following someone else's plan--"tell me and I'll do it"
- **Delaying.** Putting the decision off, postponing thought and action--"I'll cross that bridge later"
- **Agonizing.** Getting lost in all the data; getting overwhelmed with alternatives; being torn between options
- **Planning.** Using the rational procedure to weigh both facts and feelings
- **Intuitive.** Doing what feels right; basing the decision on inner harmony
- **Paralysis.** Accepting responsibility for the decision, but being unable to approach it--"I just can't face it"

Career Decision-Making Steps

Instructions: Career decision-making steps offer a systematic method to evaluate possible career options. Have you ever known a person who just fell into a job and stayed there? He/she may never have realized that there could be another job, or many other jobs, for which they may have been better suited and satisfied. The following steps can prevent this from happening to you. Write your career plan for each of the following steps.

1. Identify the issue (i.e., career choices for the next 10 years).

2. Consider the alternatives and collect information on them (i.e., a job at a retail store, entrepreneurship, further education, and so forth).

3. Evaluate the alternatives based on your abilities, personal attributes, needs, desires, and goals.

4. Choose the best alternative.

5. Make a plan to achieve your goal.

6. Prioritize the planned tasks and take action.

7. Decide how to evaluate the results of your actions.

Fantasy Autobiography

Instructions: Let's pretend that it is now 10 years in the future. Write an autobiography of how you became a successful entrepreneur below. (You may refer to the success stories in chapter 6 for ideas).

Entrepreneurs Wear Many Hats

Instructions: As you start your own business you will find that you need to know how to do many things. Your experiences in school and on various jobs will help you learn how to do the following. Check the items that you already have at least some experience in.

An Entrepreneur Must Be a(n)

______ Financier
______ Insurance Manager
______ Shipper
______ Advertising Copywriter
______ Engineer
______ Public Relations Agent
______ Designer
______ Architect
______ Display Artisan
______ Personnel Manager
______ Wage Clerk
______ Accountant
______ File Clerk
______ Teacher
______ Bookkeeper
______ Mechanic
______ Secretary
______ Groundskeeper
______ Motor Pool Officer
______ Showperson
______ Billing Clerk

______ Stock Clerk
______ Warehouser
______ Driver
______ Artist
______ Sign Painter
______ Electrician
______ Salesperson
______ Editor
______ Maintenance Engineer
______ Supervisor
______ Manager
______ Superintendent
______ Tax Expert
______ Analyst
______ Economist
______ Inventor
______ Travel Clerk
______ Writer
______ Police Officer
______ Custodian

List goals for your future that will prepare you to wear the many hats of an entrepreneur. My goals are:

1. ____________________
2. ____________________
3. ____________________
4. ____________________
5. ____________________
6. ____________________

The Think Tank

Instructions: Summarize what you have learned in this section by answering the following questions. Keep this as a private journal entry to use in your future career planning.

How Can I Prepare to Be My Own Boss?

- How do entrepreneurs view risk?
- Is becoming an entrepreneur too risky?
- Why worry about decisions?
- How do you make your decisions?
- Why are goals important?

- How do you reach your goals?

- Why should you begin to build resources?

- What types of resources should you begin to build?

- Who are the contacts?

- What do you need to be prepared to do?

Chapter 6

YOUNG ENTREPRENEUR SUCCESS STORIES

To the Instructor:

This section contains the stories of fifty young vocational education graduates who have started a business of their own. They are the result of a nationwide nominating process from high schools and two-year colleges. The stories selected represent a wide variety of occupational training programs at both high school and post secondary-high school levels. In addition they represent 23 different states and a number of minority groups.

The posters developed to use with the success stories will give your students a sense of the youth and vitality of these real-life role models. The stories have been written from in-depth questionnaires to be enjoyable case studies for high school students. We have targeted the cases to be used with each of the four sections of learning activities in this workbook. There are questions for students to think about and discuss for each section. And, the answers to the questions have been provided separately to save you time in preparing to use the success stories.

These young entrepreneurs have given permission to use their stories in your classroom as their contribution to a new look for vocational education graduates. You may wish to develop more cases based on the stories of your own vocational graduates.

Young Entrepreneur Case Studies

Section 1

CAN I BE AN ENTREPRENEUR?

o	Russell Cox	Texas	Russell Gallery
o	Robert P. Downs	New York	Finite System Programming
o	Fatima Finamore	Rhode Island	Salon de Fatima
o	David B. Hansley	Florida	Hansley Burglar Bars Welding Service
o	Katherine Hudson	Louisiana	Carpet Cleaning
o	Richard Lloyd Hull	Missouri	Royal Inn Pizza
o	Tawaunna L. Jones	Washington, DC	Senoj Fashions & Cosmetics
o	Jodee C. Kulp	Minnesota	Jodee Kulp Graphic Arts Services
o	John LaPasta	New York	J.O. Garren, Caterers
o	Blazine Premura Monaco	Ohio	Blazine Advertising
o	Robert R. Scukas	Connecticut	Heritage Electrical Contracting, Inc.
o	Heather Sharp	California	Heather Sharp Enterprises

Name:	Russell Cox
Business Name:	Art Source
Business Address:	3614 Kim Drive Irving, TX 75061
Business Phone:	(214) 790-7865
Type of Business:	Custom framing, wholesale art distributor,

Russell Cox dates his beginnings in entrepreneurship to when he was 14 years old and he started a greenhouse business. When he was 17 years old his parents bought a retail picture frame shop. They had operated a trophy shop in their home, but they knew nothing of framing. But Russell had an eye for beauty and a gift of working with his hands. He taught himself the business.

Five years later he was ready to go into business for himself. He had been a B student "with little effort," he says, at Trinity High School in Euless, Texas. He chose a distributive education program at A & M Consolidated, College Station, Texas.

"I think I learned the most from my DE classes when we had open discussion about our jobs," Russell says. "I was self-employed, but I learned a lot from fellow students on what not to do as a business owner."

A "natural organizer," as he describes himself, Russell held offices in high school and vocational school that taught him how to negotiate and compromise. He was president of DECA (Distributive Education Clubs of America), captain of the gymnastics team, and a candidate for the DECA area presidency.

From these early experiences, Russell had learned an important fact about himself. "A traditional job would not provide me with the independence and financial opportunities that I seek," he says. And he had observed that other members of his family enjoyed a higher standard of living through owning their own businesses.

The frame shop gave him the idea for his own business. "I moved and started a wholesale version of the same business. In order to reach my goals, I knew that I must serve the larger corporate market. Wholesale can serve a larger market from one location than a retail store," he explains.

From Entrepreneur magazine, he learned creative financing methods and how to draw up a business plan. His accountant helped him prepare a budget. Industry surveys showed him that there was corporate demand for his type of business. For financing, Russell used personal savings, bank financing, and lease-purchase agreements.

He works out of a warehouse with one small office, an arrangement that not only keeps down overhead, allowing Russell to price his product competitively and offer volume discounts, but also appeals to his customers. "Clients seem to like coming out to the warehouse to see other work in progress," he says.

He stresses the creative side of his business. "When you supply retailers," Russell points out, "you must create new designs constantly. I have to produce a number of different designs so that each retailer will have something slightly different than the competition.

"Buying right is another big art of my business. In order to stay competitive, I must bypass distributors and seek out the manufacturers," he says.

Besides himself, six people work in Russell Galleries. In the past three months, sales were $27,000. Russell put all profit back into the business.

Russell is very precise about his growth plans. He wants to gross $200,000 by the end of this year, and $1 million by the end of 1991. He will expand "horizontally" into frame moulding manufacture, art publishing, and retail sales. His plans are that Russell Gallery will become a broad-based wholesale/retail art and framing company.

Being in business for himself has caused Russell to sacrifice material possessions now for future rewards. He knows he works longer and harder than his friends. Some of his hurdles are psychological--like "being patient and optimistic when there is little motivation to do so."

But Russell does not give up. An important failure can deal him a temporary setback, but he bounces back. "I usually feel down for a day or two before I get my attitude straightened out and come back even stronger," he says.

Section 1

CASE STUDY QUESTIONS

Russell Cox

Art Source

1. What did Russell Cox learn from his early work experiences and his family's circumstances?

2. What natural aptitudes and abilities did Russell bring to his parents' framing business?

3. How did the family framing business influence Russell's choice of his own business?

4. Besides high school and vocational school, where did Russell learn facts and skills that helped him in business?

5. What advantages does the warehouse operation have over a retail store?

Russell Cox

Answers:

1. Russell learned that a traditional job would not provide him with independence he desired nor the financial opportunities he observed his family enjoying.

2. He was able to use his natural eye for beauty and his gift for working with his hands.

3. Russell was able to teach himself the business and start a wholesale version of his family's framing business.

4. Entrepreneur magazine helped Russell to learn creative financing methods and how to draw up a business plan.

5. The warehouse operation keeps the overhead down which allows Russell to be competitive in pricing his products. It also gives the customer an opportunity to see work in progress.

Name: Robert P. Downs

Business Name: Finite System Programming

Business Address: P.O. Box 483
New Paltz, NY 12561

Business Phone: (914) 255-4400

Type of Business: Computer consulting and programming

Ten years ago a young teen sat in front of a computer fascinated by the mystical powers before him on the screen. From the moment he set his fingers on the keyboard, Robert Downs longed to become a computer programmer.

When Robert was a teenager, his father gave up a secure job and moved his family from Illinois to New Jersey to become a one-third partner in a faltering business left to him by his father. His courage and hard work turned the company around.

His example was not lost on Robert, whose motto is "No guts, no glory." The "glory" of succeeding with the computer programming business that he started when he was 19 is, for now, the sense of being his own boss and, for the future, the ability to retire early. Like his father, strong motivation, tempered with humility and honesty, is the key to Robert Downs' success story.

Robert took all the electronics and computer courses he could while in high school. He didn't find out about the computer course at Board of Cooperative Educational Services, Goshen, New York, until his senior year, but he was able to pass competency tests and take a two-year program in one year.

He had already formed his own computer company when he entered the State University of New York at New Paltz, New York. Although his computer programming experience proved to be useful, he also realized the value of business organization and management courses.

Now 23, he wants to graduate but can only attend college part-time because of the demands of his business, which last year grossed $100,000.

Computer programming, Robert explains, is necessary for anyone who has a lot of data to keep track of and compile statistics on. At the outset, Robert did not do much market research. "I just haphazardly went after something," he admits.

One of his early clients was his own vocational school. He sold them a bank simulation program for banking classes. Then he realized that government has many needs for computer programming and can also pay high prices for it. He now has 11 district attorney's offices as clients. He wrote a program by which district attorneys can keep track of everyone in the state with a drunk driving record.

Now Robert is targeting his services more to the private sector. While the large government contracts still supplement the business, Robert says that they, "can now afford to take more and more private low-cost programming."

In forming his company, Robert had the advantage of thousands of dollars worth of legal services given free by an attorney friend who drew up the necessary documents to protect Robert against theft of his work. On the advice of his accountant, he incorporated, since his company files a lot of copyright patents and a corporation receives more protection under the law.

Robert finds it necessary to subsidize his programming with a hardware division headed by a partner. One of his goals is to narrow the company's focus to programming. His long-range goal is to make the company self-supporting on program royalties, and use income from new sales to generate new programs.

Although he works "much much more than 40 hours a week," Robert tries to take frequent vacations. His idea of relaxing is to lie on a beach and think about new projects. Business is never out of his mind as he thinks of new ways to produce "quality products without compromise."

The company is growing fast. It now has five employees and twice last year moved to larger quarters. Robert is realistic about his role in it: "Somebody with my lack of skills can easily bring a company down. I don't belong at the top. I have the guts to start it, but others will run it," he says.

"Half the people I know can out-program me. But if you're not motivated, if you're not driven, I don't think you can succeed. And I have that. I have motivation."

Section 1

CASE STUDY QUESTIONS

Robert P. Downs

Computer Programming

1. "If you want to start your own business, you have to be very, very hungry," Robert Downs recently told a business class. What do you think he meant?

2. What is the key to Robert's success?

3. For Robert, what are the rewards of owning his own business?

4. What is his idea of a vacation?

5. In your opinion, will Robert Downs retire early?

Robert P. Downs

Answers:

1. He probably meant that you have to really want your business to succeed and as a result be willing to spend every penny you have to see it grow. It means a lot of self-sacrifice.

2. Robert is successful because he has motivation to develop new ideas and do what it takes to make his business grow.

3. He likes being in charge of his own work schedule and answering to no one but himself.

4. Robert's idea of a vacation is to be on a beach and think about new projects.

5. He may step down from the "top" but he will always be involved in the business some way or another.

Name: Fatima Finamore

Business Name: Salon de Fatima

Business Address: 3 Davol Square Marketplace
Providence, RI 02903

Business Phone: (401) 273-2400 or (401) 727-1330

Type of Business: Full-service beauty salon

Fatima Finamore received her vocational training while in high school. At the James L. Hanley Educational Center she majored in hairdressing and by the time she graduated had acquired "a high school diploma, a cosmetology license, and two years' experience in the field."

Following graduation, Fatima worked for three years as a stylist in a salon. She then went to work renting space at a hair salon owned by someone else. She soon realized that, although it was not her business, she had to pay for business insurance, an attorney and an accountant. She saw no opportunity for advancement, and when she developed ideas for growth found she had "no authority to make decisions or changes."

Two years before opening her own salon, Fatima started planning the opening. She says, "During this time I worked very long hours and sacrificed my personal life enormously." She was able to save more than half the start-up capital required and was granted a loan by a far-sighted banker who recognized her abilities, drive and desire to be successful.

Fatima is quick to praise those who helped her get started in business (in addition to the banker): "My husband gave me support and helped in setting up a business concept. He was always there when things weren't going as well as expected. Friends led me to other professionals, and an architect helped with design layouts for the interior. My former employer helped by giving me advice on how to cope with everyday problems and crisis situations." Clients gave her feedback as to what they desired in a salon.

Salon de Fatima provides for Providence and North Providence, Rhode Island, what Fatima felt was lacking. She stresses professionalism as well as full-service beauty care. She considers her business unique in that "it is run like any other corporation, using basic business principles." She uses a chain of command management style--upper management, middle management, and training classes. Fatima is an opponent of the "crisis management" she observed in other salons (making decisions only when confronted with a crisis) and has regular planning meetings with her staff. She has developed a "statement of direction" for the company, which details clear-cut goals, and a "salon manual" that details how they will meet those goals.

Fatima had to clear many hurdles when she opened her business. Not only was she a young Latin-American female with a heavy Spanish accent, but (the most difficult) she had been a U.S. citizen only six years.

She met those challenges and now owns a second salon that is three times larger than her first. In the evening she is taking college courses leading toward a business degree. Says Fatima, "In this way, as my business grows, so does my knowledge of business."

Salon de Fatima is a corporation, on the advice of Fatima's lawyer and accountant. She has 28 employees and grossed $750,000 in sales for 1985. All profits were reinvested in the business.

Fatima's goals are to maintain sales growth of 30 percent or more, provide advanced training for licensed cosmeticians, and introduce her own product lines.

Section 1

CASE STUDY QUESTIONS

Fatima Finamore

Salon de Fatima

1. How was Fatima dissatisfied with the beauty salons in her city? And how did this dissatisfaction cause her to go into business for herself?

2. How does Fatima operate her business differently from the shops she criticized?

3. Fatima faced and overcame a special hurdle in becoming an entrepreneur? What was it?

4. What are some of the business principles that Fatima practices in her salons?

5. How did Fatima get start-up financing? What sources of help (financial and other kinds) did she find?

Fatima Finamore

Answers:

1. She had to pay operating expenses like business insurance, even though she did not own the business. She also felt that there were no opportunities for advancement and no chance of making creative changes in business operation. Her desire to make decisions affecting the business moved her toward starting her own business.

2. She stresses professionalism as well as full-service beauty care and tries to avoid the crisis management style that she had experienced at other salons.

3. Her biggest hurdle was the fact that she was a relatively recent immigrant.

4. She has an established management structure, training classes, and clear-cut goals for the business. She also has a "salon manual" that details how those goals will be reached.

5. Fatima saved half of the necessary start-up capital and obtained a loan for the balance. She also received support from her husband, her former employer, and other friends who fed her sources of professional advice.

Name:	David B. Hansley
Business Name:	Hansley Burglar Bars Welding Service
Business Address:	4225 Kataenca Drive South Jacksonville, FL 32209
Business Phone:	(904) 384-0876

At age 24, David Hansley faces an uphill battle as he starts his welding business.

He has prepared carefully and expensively for this venture, taking basic welding and welding fundamentals at Westside Skill Center, Jacksonville, Florida, and welding technology at Jacksonville Community College. Additionally, he had several months of welding training in the service, at Naval Training Technical Center in California.

He's also held several jobs in production control and warehousing, shipping and receiving of aircraft parts. He's worked on construction jobs for water, sewer, and utility companies, laying and welding pipe. This work experience has taught him familiarity with local building codes.

David's job experience has also taught him that he will be able to go farther if he's self-employed. Though he's thankful for the training these jobs have given him, he feels that "you never seem to benefit from all of the effort that you put in. No matter how much you do," he says, "they're only going to let you go so far."

As a young Black trained extensively in welding, David felt "if I could do the job for them, there must be some way that I could apply these talents and be able to do the job for myself."

He even feels that being self-employed will give him a kind of security that he couldn't have, working for someone else. "People's minds change," he notes. "You can be in a good position and think you've got it made, and the next thing you know, management changes and you're out."

He's aware that in his city, both homeowners and businesses are a growing market for welded security devices such as window bars and storm doors. He also knows that he's competing with older established companies in supplying this demand. "A lot of them have been established for 12, 15, and 20 years," he notes. Just starting out, he won't be able to work as fast or charge as much as these competitors.

Lack of capital is another hurdle. Security welding is an area that he can go into in a small way and build up. He says, "I've got to go into an area that I can afford to go into. I don't have $2,000 to $5,000 in the bank to be buying equipment."

Business zoning codes create a problem. To rent a shop or office in a building zoned for his type of business is too expensive right now. So David is looking for a piece of land that he can afford to purchase, where he can build his own shop. When that is achieved, he can start advertising his service.

Future possibilities, as the business grows, are to branch into alarm systems and to produce welded items like garden tools for retail. Eventually he'd like to have shops in several different cities.

David thinks he will have to return to school for some business courses and accounting. His warehousing job taught him the importance of good record-keeping.

His goal is "basically to live comfortably," he says, "to supply my needs and my family's needs. I'm not trying to be Howard Hughes. I just want to be able to make it and not have to depend on someone else."

David thinks he's making about as much money as he made as an employee. The greatest difference is that he has less free time. When you're employed by someone else, he says, you're not the person "who is forced to sit right here at this desk and type all your reports."

What free time he does have is spent with his wife and their three children. David is a religious person. Much of spare time activities revolve around his church. He believes his faith in God has given him "a lot of strength to overcome things that I otherwise would have allowed to be big stumblingblocks."

David is glad he made the choice to work for himself. "It's real shaky sometimes," he says, "but I would rather take the risk now than to wait until later or maybe not even do it and regret that I never tried. I've always learned that it is not so bad to fail, but the bad thing is not to even try."

David's advice to other young entrepreneurs is what was given to him: start small and work up. "You really do have to crawl before you can walk," he says.

Section 1

CASE STUDY QUESTIONS

David B. Hansley

Hansley Burglar Bars Welding Service

1. What was the chief reason David Hansley started his own business?

2. In what way does being self-employed offer greater security than working for someone else?

3. David's advice is, "You have to crawl before you can walk." How is his own business experience demonstrating this?

4. What advantage will owning his own building give him?

5. As a trained welder, David had the skills to start most types of welding business. Why did he choose security bars?

David B. Hansley

Answers:

1. David believed that if he could do the job for someone else, why not do it for himself.

2. He feels more secure being self-employed--not being dependent on changes in management which can mean that you're out of a job.

3. David is realistically exploring the possibilities and is setting realistic, obtainable goals. He has plans for branching out into other areas such as alarm systems and garden tools.

4. Renting a shop or office in a building that is zoned for his type of business is too expensive right now.

David is meeting the market need of the community where he lives. Security bars is a field of welding that can be entered in a small way but with potential for growth.

Name: Katherine Hudson

Business Name: Guarantee System Carpet Cleaning

Business Address: 917 11th Street
Lake Charles, LA 70601

Business Phone: (318) 439-9352

Kathy and John Hudson are in the business of starting businesses. Now 27 and the mother of three children, Kathy is starting her fourth venture.

Kathy was 19 and still in school when she and her husband bought a carpet cleaning franchise. After several years, they sold that business and started a balloon delivery company.

When John started an auto paint and body shop, Kathy moved the balloon business into the auto shop. But she soon discovered she is allergic to paint and auto body repair chemicals. So the balloon company has been sold, and Kathy is now doing a market gap analysis to determine what local need is not being adequately met by existing companies. Once that is determined, she'll start her fourth business.

Kathy's business training started in childhood. Her father, whom she calls "a natural diplomat," was a salesman. "Whatever it is you want in the world, whatever you desire, you have to sell yourself first and make people believe in you. And the best way to do that is to believe in them, too," he told her.

She read Dale Carnegie's books "and saw the magic of them in my first year of high school." A Carnegie axiom is that "a person's name is the sweetest sound to their ears." Kathy would study the yearbook of Tara High School, Baton Rouge, Louisiana, matching names with faces, and "when I would walk down the hall, everyone that I made eye contact with I'd call them by name and say 'hello.' It always stuck in their mind that 'she remembers my name.'"

Kathy was very active and very popular. While maintaining a 3.87 average, she was president of her senior class, president of the cooperative education club, and president of the Future Business Leaders of America.

She married John, her high school sweetheart. The Hudsons borrowed the money to buy the franchise to the carpet cleaning business that Kathy had already worked in for three years as a cooperative office education project.

In high school, Kathy studied accounting, business math, architectural drafting, and cooperative office education. Each has helped her in business. Accounting helps her to manage money "and that's so important," she says. "Even if you have a professional do your books, at least you understand what he's telling you." The drafting class helped her with creative thinking, visualization, and problem-solving.

Her father's lessons in diplomacy have been invaluable. She deals with dissatisfied customers by "allowing them to blow off steam. Then once this is done, tell them what we can do, why we can do it, what we can't do, why we can't do it, and then ask them what they want us to do. Just allow them to tell you what would make them happy, and then negotiate from there."

Kathy believes that customer relations--putting the customer first--has been the key to the Hudson's success. "We'll go back again and again until it's right. If we still can't satisfy them, they get all their money back. People will refer other customers to you if you treat them fairly," Kathy says. "If you make your customers your number one priority, the money will take care of itself."

Her strategy has worked well. John and Kathy received their franchise's national "Rookie of the Year" award, though they were the youngest of the chain's 60 franchisees. Their balloon business achieved $60,000 its first year (though competition became more intense and volume fell in subsequent years).

As an entrepreneur several times over, Kathy has sound advice for would-be business owners. "Start with what you like to do and what you feel most comfortable with," she advises. Do simple, effective market studies by seeing who is listed in the Yellow Pages under the type of business you want to start. "Talk to their customers to find out where they feel that this business could do better," Kathy says.

Talk to people who are in the business. (They'll be more willing to talk if you go to another city where you won't be competing with them.) "Usually, other business people are anxious to tell you their story and guide you in the right direction," Kathy says.

"From the very first dime, put at least 10 percent aside, to save for expansion or to tide you over if there is a market problem," Kathy advises. "If you can keep that capital reserve, and if you've been good to your customers, chances are that you'll be able to weather any kind of a market storm."

Entrepreneurial risk is the spice of life to Kathy. She had trouble working for other people, she says. Employers didn't take kindly to her suggestions of better ways to do things.

"It's very exhilarating to start your own business, and it's also a little bit frightening. Just be sure you've got adequate funds so you won't find yourself in a bind after a few months and have to abort the whole operation," Kathy says.

One way to prepare for your own business is to "find the most successful business of that kind and go to work for it. "Then," Kathy points out, "if you don't like it, you've learned at someone else's expense."

Section 1

CASE STUDY QUESTIONS

Katherine Hudson

Carpet cleaning, balloons, auto body, other

1. How was Kathy Hudson influenced by her father's work?

2. What is an axiom? How did Kathy practice what Dale Carnegie advocates, and how did she gain from it?

3. What are some of the ways Kathy determines where there's a market for a new business?

4. What is the top priority in Kathy's business? What is second?

5. What is Kathy's advice about having a capital reserve, and how does she recommend forming one?

Katherine Hudson

Answers:

1. Her father was a salesman whom she calls "a natural diplomat." He advised her to sell herself. Make people believe in her. She could do this best by believing in them.

2. An axiom is a statement generally accepted as true. She studied and learned the faces and names in her yearbook and when she made eye contact while walking down the hall, she would call them by name and say hello. This impressed them and made her very popular. She held many leadership positions.

3. Look in the yellow pages for similar businesses, talk to the customers to see how they think the business could be run better, and then talk to the business owner.

4. Customer relations--putting the customer first--is the key to success. If the customers are satisfied, "the money will take care of itself."

5. Kathy believes you need a capital reserve to pay for expansion and/or to see you through a slow period. She recommends that "from the very first dime," you should save at least 10 percent for these purposes.

Name:	Richard Lloyd Hull
Business Name:	Royal Inn Pizza
Business Address:	2707 Sportsman Road Trenton, MO 64683
Business Phone:	(816) 359-6644
Type of Business:	Restaurant specializing in pizza and Italian sandwiches

Rick Hull became interested in business at an early age. He started working at 15. He had always wanted to earn a lot of money. Rick was outgoing, good at business communications, and willing to put in the long hours necessary for a successful business.

After high school, Rick attended Trenton Junior College, majoring in business management. Then he attended Northeast Missouri State University for two years, where he majored in accounting. Rick feels his years at junior college contributed the most to helping him understand how to run a business on his own, especially in the accounting area. Says Rick, "Without those courses I would have been going into this venture blind, not knowing if it had a chance to succeed even before we opened the door."

It was while working as a successful manager for a pizza chain in another city that Rick realized the kind of profits that could be made in the business. His home town, Trenton, had only one restaurant that served pizza, and Rick realized that it was not satisfying customer needs.

His father had strongly encouraged Rick to start his own business. "He kept telling me to remember what I learned in class," he recalls. A former boss had often told him that he would "never get anywhere" working for someone else, and that thought stayed in his mind.

Rick identified his potential market by visiting local restaurants and observing customers. His target would be people between the ages of 18 and 35.

When Rick was 22, he opened Royal Inn Pizza with the help of his father, who mortgaged his home for start-up money. He was worried that if he didn't succeed, his father would have to pay the loan back himself, but soon found he didn't have much time for doubts. "I was putting in 80 to 90 hours a week when we first opened this business. After three years, I still work more than 60 hours," Rick says. "I don't punch a time clock. You can't work 40 hours a week and expect to be successful."

Rick has tailored his menu to the taste of his customers. He feels it is important to give customers what they want, not what is dictated by headquarters miles away. He trains his help well, stressing quality, service and cleanliness, and offers incentive bonuses to the management team to encourage them to stay.

Royal Inn Pizza is now a corporation. Rick's accountant explained the tax benefits of incorporating the business, which is paid for, and operating future restaurants as partnerships until they too are paid. Annual sales are $300,000, and four percent of gross sales go back into both the business and the community.

Rick enjoys being his own boss and the resulting respect he gets from his community. "I took the idea of a pizza place, and with my father's help set it up, and made it a very successful business," he says. "It takes a lot to do this." Rick says his business is his hobby. He enjoys working in the kitchen, talking to customers, and being the co-owner of an impressive restaurant. A second location has recently opened and plans are being made for a third restaurant. Estimated annual sales for both restaurants is expected to reach $600,000 this year.

He hopes his business will provide his father with extra income for his retirement years because "without his belief in me it couldn't have happened."

Section 1

CASE STUDY QUESTIONS

Richard Lloyd Hull

Pizza restaurant

1. What kinds of things did Rick know about his personality that motivated him to go into business?

2. How does Rick feel about the long working hours involved in running a business?

3. What personal values should an individual have before making a decision to become an entrepreneur?

4. What kind of support and advice did Rick receive from his father? the Chamber of Commerce? teachers? past employers?

5. How did Rick's past working experiences and education influence his decision to go into business for himself?

Richard Lloyd Hull

Answers:

1. Rick knew that he wanted to earn a lot of money and that he was an outgoing person who had good communication skills. He also decided that he was willing to put in the long hours necessary to be successful.

2. Rick feels that long working hours are a necessary component for success in small business.

3. An individual should be willing to take risks and work the long hours that are required.

4. Rick's father provided start-up money by mortgaging his home and strongly supported his efforts. He also received support and advice from his father and a former boss.

5. He acquired experience in the restaurant business by working as a manager for a pizza chain in another city. This experience made him realize how much money could be earned in the pizza business. His educational experience, centered around business management and accounting programs, helped him understand how a business is run.

Name: Tawaunna L. Jones

Business Name: Senoj Fashions and Cosmetics

Business Address: 200 Rhode Island Ave., NE, Suite 129
Washington, DC 20002

Business Phone: (202) 529-6338

Type of Business: Fashions, cosmetics, and models' workshop

Tawaunna Jones wanted to go to medical school and become a psychiatrist, but in distributive education at H. D. Woodson High School, Washington, DC, she changed her mind.

A skilled seamstress even as a child, Tawaunna began sewing clothes for other people at age 12. She "pinched pennies," she says, to pay for her education. In DECA activities, she bagan to see that those savings could finance the start of her own fashion business.

Now 27, she is president of Senoj (Jones spelled backwards), a fashion and cosmetic retail business that also trains both male and female models and helps them find jobs.

Tawaunna was a good student, an eager learner. She went on to further schooling after high school, studying fashion design and business management at Virginia Commonwealth University, Richmond, VA. She majored in French and business at USDA Graduate School in Washington, DC, and got further training in fashion design at Paris Fashion Institute, Paris, France, where one of the requirements was to design and fabricate two collections of 100 garments each.

She rounded out her education with experience as designer, fabricator, and fitter in major department stores and couturier shops.

Senoj, as she's now known, is invited to exhibit her designs at fashion shows in the nation's capital. Her clothes feature bold lines and fabrics. They are designed to bring high fashion to women who want to dress well on a budget.

The Senoj cosmetic line, which she has manufactured by a cosmetics lab in New York, is especially formulated for problem skins. Her clientele, Tawaunna says, is "ladies who often have a hard time getting waited on at the make-up counter."

Her modeling workshops teach a thorough introduction to the world of fashion modeling to prospective models as young as five.

Tawaunna possesses an extra measure of determination which has helped her overcome the double disadvantage of being a Black woman in the business world. "It's twice as hard," she says. "Funding doesn't come easily. But," she says, "we can't run away from prejudice."

She chose the name "Senoj" because "it's sexless and colorless and helps me get through a lot of doors."

"I don't listen to the word, 'no,'" she says. "I believe in trying even if all the odds are against you." She tries to look at failures from the positive side "and figure out the lessons to be learned."

She credits her success to hard work, 12-hour days, "doing what no one else would do," and a motto that forms the acronym LAW: "Look like a woman, Act like a lady, and Work like a dog."

Senoj advises students who think about going into business for themselves to keep a part-time or full-time job at first until the business is going well.

"They must realize that the road will not be easy. They must pay their dues over a period of time. Too often, people give up after five years. Making a success of a business takes longer," she says.

Tawaunna has paid her dues. She worked long days, sacrificed many hours of personal and social life. And she is reaping rewards that she likes. Not all of them are financial.

"You get more satisfaction when you work for yourself," Tawaunna says. "I dance to my own beat. It depends on me, not on my supervisor's budget for that year."

Section 1

CASE STUDY QUESTIONS

Tawaunna L. Jones

Senoj

1. How did her experience in DECA change Tawaunna Jones' life?

2. In addition to sewing skills, what personal qualities does Tawaunna possess that have helped her succeed?

3. What is Tawaunna's motto? How can such sayings be helpful?

4. What does Tawaunna mean when she says that new entrepreneurs must "pay their dues"?

5. For Tawaunna, what is a suitable trial period for a new business?

Tawaunna L. Jones

Answers:

1. Tawaunna's DECA activities helped her to see that the savings from sewing clothes for other people could finance the start of her own fashion business.

2. She possesses determination and a "never accept 'No' for an answer" attitude.

3. "Look like a woman, Act like a lady, and Work like a dog," is Tawaunna's motto. This saying is helpful because it suggests her hard working attitude.

4. She means that success often takes a longer period of time.

5. Five years seems to be too brief a trial period for a new business.

Name: Jodee C. Kulp

Business Name: Jodee Kulp Graphic Arts Services

Business Address: 119 North 4th Street, Suite 401
Minneapolis, MN 55401

Business Phone: (612) 341-9870

Type of Business: Full-service graphic arts studio

At age 12 Jodee Kulp had her first experience with business ownership when she and her sister inherited their cousin's earthworm enterprise. Because they had so much competition, Jodee decided their worms had to be special, and that packaging would make them special. She found a source in the colorful packages used by Dairy Queen, substituted sphagnum moss for the usual dirt filler, and learned the secrets of attracting worms to a garden plot. They sold their earthworms to local bait shops and resorts. Says Jodee, "It was a good lesson in business basics."

Jodee's high school program in vocational education was sales and marketing. There she learned accounting, developing free-lance accounts, leadership and communication skills. Following graduation, she enrolled in Hennepin Technical Center--North Campus, Brooklyn Park, Minnesota, where she completed a two-year course in commercial art. After attending Hennepin Tech she had the opportunity to start a graphic arts firm for a printing company in St. Paul. Her responsibilities included acquiring accounts, invoicing, time management, equipment purchases, and employee management. Jodee feels, "It was an excellent incubation period for developing the basic skills of managing a graphics studio with no financial obligation." She furthered her education with a self-financed year in Sweden, studying graphic arts.

The need to control her own destiny and the need for achievement led Jodee into starting her own business. She was highly creative and hard working, had management and business operations experience, plus good sales and "people skills." With a $5,000 loan, Jodee opened Graphic Arts Services in her home.

Jodee received help from many sources. She credits family and friends for their support and encouragement, her high school sales and marketing instructor and previous employers for teaching her business and management skills, and her husband who "shared his years of business knowledge and was patient as the business evolved and our lives changed." Her personal accountant offered simple recommendations that she could understand.

Of special importance was her grandfather, who lost his own business during the depression. Jodee says, "He is my strongest mentor.....His wisdom, perceptions and advice have definitely guided me in times of need."

Graphic Arts Services began with Jodee as its only employee, and now has 13 working full time and part-time, and a crew of freelancers. The firm is a sole proprietorship, with gross sales in 1986 of $500,000. Almost all of the profits continue to go back into the business for the purpose of better equipment, employee salaries, and improved working conditions.

From her initial goal of making all her payments to vendors during the first six months, Jodee has expanded. She projects over a million dollars in sales for 1989. Jodee believes profits and continued growth go hand in hand. Without profits there is no growth. Says Jodee, "Profits are an integral part of success."

Section 1

CASE STUDY QUESTIONS

Jodee Kulp

Graphics Arts Services

1. Describe the early work and entrepreneurial experiences that encouraged Jodee to start her own business.

2. Jodee had many opportunities to learn business and management skills in high school and vocational school. What were some of these skills?

3. Personal characteristics were as important as artistic skill in Jodee's success. Describe the qualities that made her successful.

4. What were some of the other sources of help and advice that Jodee used when she started her graphics business?

5. In Jodee's view, which is more important, profits or continued growth of her business? What has one to do with the other?

Jodee Kulp

Answers:

1. When she was a child Jodee and her sister had a small bait business. Her experiences with this enterprise were one of the factors that led her to an entrepreneurial career.

2. Some of these skills included communication, leadership, accounting and developing free-lance accounts.

3. Jodee wanted to control her own destiny--she wanted to be responsible for her own success or failure. She had a need for achievement.

4. She received help from family and friends, her high school sales and marketing instructor, previous employers, and her husband.

5. In Jodee's view, profits are most important--she feels they are necessary for growth.

Name: John LaPasta

Business Name: J.O. Garren, Caterers

Business Address: 91 Ontario Street
Cohoes, NY 12047

Business Phone: (518) 235-2030

Type of Business: Restaurant, deli, and catering

John LaPasta took a hotel management course in vocational school, but now, two years into owning his own restaurant and catering business, he wishes he'd had more business training.

"Anybody who goes into this business should go to school for at least two years," he advises. His courses included food and beverage control, menu planning, and banquet room management. But he'd like to have learned more about food cost control.

Some things he did by trial and error when he bought his restaurant two years ago. "I could have avoided that if I'd taken a full two-year program at the vocational school," John says.

But trial and error, in his case, have led to success. He recently expanded his 1,100-square-foot restaurant to a 3,000-square-foot deli and catering kitchen. From one employee besides himself, he has added two more full-time employees, two part-time workers, and 37 people on call.

He expects to do $250,000 worth of business this year and to put almost all his profit back into the business. It's his belief that "for the first five years, every penny has to go back in the business. I never saw a businessman be successful who goes and buys a new Corvette or a new house when he's been in business less than five years."

John came from an entrepreneurial family. He watched his uncles start with "little dime stores" years ago and, with little education but lots of desire and hard work, turn them into "major good-sized" stores. John worked for his uncles and became a skilled meat-cutter, and that is his "fallback position" if he ever needs to find a job.

As a 21-year-old, he found it hard to raise enough money to buy a restaurant in a premium location. So he bought one he could afford. "It wasn't the type that I wanted, but it was something that would give me a start," he says.

After he opened the restaurant, he did a "few good-sized parties." Advertising in the Yellow Pages brought him more business for weddings and house parties. Now he wants to go "in a major way" into corporate catering.

While this market will yield potentially greater profits, it means that John will have to wait longer to be paid, thus aggravating his cash flow problem. His recent expansion was a major expense. Besides, John's business has grown big enough to need a bookkeeper and more advertising. "Yet we're not big enough to really afford them yet." So his immediate goal is to put enough money aside to alleviate these cash flow problems.

John feels that attitude is just as important as training in business success. His attitude, he says, was shaped in school, where he excelled academically and was captain of the football team.

Success in business involved long hours of hard work, and still does. From working 40 hours a week for his uncles, John went to working 14 and 15 hours a day, seven days a week. Recently married, he says his long hours nearly derailed his wedding plans. Even now, he can spend only about 10 hours a week with his wife.

But John takes the long view. "A lot of people can't be in business for themselves, because all they want is short-term results. They want quick money; they want to see things happen today. You have to sit back and look at a year," he says. "Then you have to look at next year. And you have to stick it out for five years. It's not a quick process."

But for John, it's worth it. Owning his own business brings intangible rewards that are important to him. He likes power. He likes to be viewed as a success. "You gain a certain respect when people find out that you are in business for yourself," he says.

Section 1

CASE STUDY QUESTIONS

John LaPasta

J.O. Garren, Caterers

1. How did family background figure in John LaPasta's success story?

2. What are the intangible rewards of entrepreneurship and how important are they to John?

3. What sacrifices has he made to achieve his present success?

4. John's success formula might be called a "five-year plan." Why is it important to John to take the long view?

5. Cash flow is John's current "growing pain." Why? What can he do about it?

John LaPasta

Answers:

1. John was able to watch and learn from working in his uncle's business.
2. The success and power that comes with owning his own business are important intangible rewards for John.
3. John has had to sacrifice time with his wife as well as spending his profits on personal wants.
4. A long view is important because owning a successful business is not a quick process. John feels that every penny needs to be put back into the business to insure the future success of the business.
5. John's decision to go into corporate catering causes him to have to wait longer to be paid. To alleviate his already aggravated cash flow, John has decided to begin to put money aside.

Name: Blazine Premura Monaco

Business Name: Blazine Advertising

Business Address: 5026 East 115th Street
Garfield Heights, OH 44125

Business Phone: (216) 663-5478

Type of Business: Full-service commercial art studio

Blazine Premura Monaco was not a very good student until her senior year at Cuyahoga Valley Joint Vocational School, Brecksville, Ohio. It was then that she realized her commercial art curriculum was preparing her for the business world.

"Then I just put everything into it," say Blazine. "I knew that I had to give it everything in order to succeed, either working for somebody or on my own."

She credits vocational school for teaching her everything she neede to enter the commercial art field. "Every single job skill that I have started there," Blazine says. "They gave me all the basics I needed to get started."

She attended vocational classes half days and began working in the school's early placement program. Her vocational instructor referred her "to every single job I had," Blazine says.

These jobs included working at a newspaper, a print shop, and four advertising agency art studios. After she had worked full time for an art studio for five years, she began to feel that she could do better on her own.

"I saw the amount that my work was being billed out at, compared to what I was being paid," Blazine said. "Salary had a lot to do with it. I knew that I wanted to make a lot more money than I could make working for someone else."

She also felt she could service accounts better if she were able to talk to the client directly and learn his needs first-hand.

Blazine was 23 when she started her own studio. She believes that with vocational training "and what I was able to learn in seven years' work time," she had as much knowledge about art production and running a business as associates who were much older and had been to college.

Her employer minimized her risk by telling her that she could return to her old job if her own business did not work out.

Blazine minimized her start-up expenses by working out of her home. She started out with only the supplies she needed to complete her first few jobs.

"I don't know how I made it on what I started with," Blazine says now. "Once I began to build my clientele, the work flow became regular," she says. But the cash flow did not catch up immediately, so she took a $1,500 loan six months after beginning, "just to get by," and another loan of $4,800 after she'd been in business for a year, to purchase a stat camera.

Two years later, both loans have been paid off. Blazine has moved her business out of her home into a studio. Whereas she was the only employee for a year and a half, she now has three employees--one for deliveries and two artists.

Last year her sales were $34,000 and her profit "was nothing." So far this year, sales are on the order of $125,000 and Blazine plans to put 30 to 40 percent of her profit back into the business.

Blazine herself does all the bookkeeping, filing, sales, and "the many other odds and ends of running a business." Many of these are skills she did not have when she started. She went to college bookstores and purchased books on accounting, business administration, and marketing.

Sales were a problem, because Blazine was uncomfortable speaking to groups of people. This skill she taught herself on the job. "When I found I had to be confident about my work and convey this in order to sell, I was finally able to do this effectively," she says. "Just recently I began enjoying this portion of my business."

Blazine's competition ranges from free-lance artists to large advertising agencies. She believes she offers quality comparable to the latter, at a lower fee, because her overhead is lower. She has added typesetting, a service that many larger houses do not offer.

Her individual talent is the thing that sets her work apart in a very competitive business. "No other artist can produce the exact same artwork as I, just as I cannot produce the work of any other," she says.

Section 1

CASE STUDY QUESTIONS

Blazine Premura Monaco

Blazine Advertising

1. When did Blazine Monaco get serious about school, and why?

2. What was her work experience prior to starting her own business?

3. For what reasons did she think she could do better on her own than working for someone else?

4. How did she learn the business skills that she had not learned in vocational school?

5. Blazine says one of her biggest hurdles at the outset was selling her product and her skill. Why was this hard for her, and how did she overcome it?

Blazine Premura Monaco

Answers:

1. When Blazine realized that her commercial art curriculum was preparing her for the business world, she decided to put everything she had into it.

2. Blazine credits every single job she had to her vocational instructor who gave her referrals.

3. After comparing what she was being paid with the amount the art studio she was employed by billed out her work for, Blazine decided she could make more money on her own.

4. Although Blazine credits her vocational school for teaching her everything she needed to enter the commmercial art field, she did not have the necessary skills to start her own business. As a result she purchased books on accounting, business administration, and marketing to develop these skills.

5. Selling her product and her skill was a problem because Blazine was uncomfortable speaking to groups of people. She taught herself this skill on the job.

Name: Robert R. Scukas

Business Name: Heritage Electrical Contracting, Inc.

Business Address: 6 Robert Street
Milford, CT 06460

Business Phone: (203) 874-8564

Type of Business: Electrical contracting

Robert Scukas started thinking about having his own business while an electrical studies student at Milford High School, Milford, Connecticut. He had a part-time job in a local hardware store, where he was exposed to the full operation of running a retail business. Says Robert, "I was trained in many areas, such as dealing with the public, purchasing, maintenance of the electrical department, machine operation and inventory.

After graduation, Robert found that apprenticeships were unavailable, so he accepted a position with a local wholesale electrical distributor. He states, "This became an asset as time went on." He was trained to sell to local contractors, thereby learning about all the different types of equipment being used in the electrical field.

A short time later Robert received an apprenticeship offer and fulfilled the required four-year training at Bullard Haven Regional Technical School in Bridgeport, Connecticut, majoring in electrical construction and receiving his journeyman's license. While Robert's vocational training was a legal necessity in the electrical field, it also gave him a thorough understanding of safety practices, the ability to use related tools properly, and skills in employee training and management.

Heritage Electrical Contracting started out as a part-time sole proprietorship. This year Robert's business became a full-time venture; he incorporated and he added two employees. While the business operated for only four months in 1985, sales approached $30,000 with 20 percent of profits going back into the business.

Robert credits the high quality of his work for his success. He has observed poor-quality work performed by others and states, "I am visibly upset by the number of unqualified people working in my field. I perform at my utmost ability and take pride in my performance as a master contractor. This is very different from those who are in the field only to make an inflated dollar at the customer's expense."

In addition to owning his business, Robert is an officer of a volunteer fire company. His training in fire safety codes enables him to spot potentially dangerous situations, thereby preventing future disasters for his customers.

Robert's goals are to have a financially secure business, while remaining sensitive to the needs of his employees and his customers. He hopes to add one two-man crew this year and another in 1987. Robert says, "I once was told by a very close friend to expand--but not too fast. I fully believe in this statement."

The rewards of business ownership for Robert are many. He likes the feeling of being successful and making his own decisions. He enjoys the pride of accomplishment he feels when looking over a completed job. Mostly he enjoys seeing a satisfied customer. Says Robert, "When the phone rings and the caller says, 'Mrs. Brown referred me to you. She was very happy with your work. Can you do a job for me?' that is real satisfaction. Of course, there are financial rewards as well, but those are closer to the bottom of my list."

Section 1

CASE STUDY QUESTIONS

Robert R. Scukas

Heritage Electrical Contracting, Inc.

1. How did Robert Scukas' hardware store job help him to operate his own business?

2. What did he do when an electrician apprenticeship was not immediately available, and how was it useful in his future business?

3. How does his work and training as a volunteer fireman fit well with his business?

4. According to Robert, what are the most important satisfactions of his work? The less important?

5. He took a friend's advice: "Expand--but not too fast." Why might this be good advice?

Robert R. Scukas

Answers:

1. While working in a local hardware store, Robert had an opportunity to see how to run a retail business.

2. He accepted a position with a local wholesale distributor where he learned about all the different types of equipment being used in the electrical field.

3. Robert's training in fire safety codes enables him to spot and prevent potential hazards in situations for his customers.

4. He mostly enjoys knowing his work has satisfied a customer. Financial rewards are less important to him.

5. Expanding too fast might make his business financially insecure.

Name: Heather Sharp

Business Name: Heather Sharp Enterprises

Business Address: 406 Crestmont Drive
San Luis Obispo, CA 93401

Business Phone: (805) 544-5336

Type of Business: Traveling "cowboy" tack shop

Heather Sharp's hobbies--flying and competing in rodeos--led to the formation of her own unique traveling tack business. Both flying and rodeo competition are costly. To raise money for entry fees, Heather worked in her father's large animal veterinary clinic. By the time she was 13, she was in charge of inventory and reordering all veterinary supplies.

At rodeos, friends would ask Heather if they could purchase bandages and non-prescription drugs from her. Soon she started buying the supplies from her father at a discount and marking them up. At age 15, she used his resale license to buy her own inventory.

Now her traveling shop sells one-of-a-kind horse equipment--saddle pads, bridles, protective boots, and other gear. Recently, she has included silver jewelry and eel skin wallets. Recently she went to Mexico to buy hand-made horse blankets.

To begin with, Heather's customers were her friends and competitors. Now they are horse owners and rodeo riders, and she is branching out to include rodeo spectators.

Heather noticed early in her rodeo competition days that in between events people get bored. Also, horse people tend to be wealthy, and there is nothing they like spending money on more than their horses.

In her father's clinic, she had learned the value of uniqueness. He has the only stationary large animal practice in the area (others are mobile), and the only large animal operating table outside of the University of California (Davis) veterinary college.

Heather's business is unique. She travels throughout California, Nevada, Arizona, and Oregon. When she first started in 1982, no one else on the West Coast had a traveling tack shop. Currently some traditional western stores are sending representatives out into the field. However, none of them carry the same inventory she does.

Heather raised the money for her enterprise by giving riding lessons. When she decided to expand her inventory, her father co-signed a bank loan for $3,000. Recently, she has obtained her fourth loan on her own.

While her merchandise may sit idle through the week, Heather sells between $500 and $1,300 per day on a weekend. Last year's sales were $17,000. Heather put 90 percent of her profit back into the business.

Now that other companies are moving in on Heather's good idea, she feels it is time for Heather Sharp Enterprises to move into new areas. Her other hobby, flying, suggests the direction may be a flight school or aircraft sales. Heather is already a flight instructor.

She credits her early experience working in both her father's veterinary clinic and her mother's boutique for the self-discipline and sense of responsibility to go into business at age 15. In addition, the business skills she learned at Monte Vista High School, Danville, California, proved indispensable.

"Without my knowledge of accounting and business practices I would never have been able to open my business and run it effectively," Heather says.

For Heather, the main reason for going into business for herself is to make money. "I want to be rich," she says, "and I figure I'm not going to get that way working for someone else."

Heather responds well to challenges, she never quits, and she does not admit to failure. "Sales were slow at first because a traveling store was a new idea. Many a time I sat with a carload of items feeling very foolish. I didn't sell one thing at the first three shows I went to," Heather says.

Her youth was a handicap. People would not take her seriously. Now, Heather says, "I almost hope someone will tell me it will never work, as many people did before, so I can prove them wrong."

As for failure, for Heather, it doesn't exist. "You shouldn't look back," she says, "unless you want to go that way."

Section 1

CASE STUDY QUESTIONS

Heather Sharp

Heather Sharp Enterprises

1. How did her leisure time interests lead to Heather Sharp's business?

2. What is unique about Heather's business?

3. Heather's business objective is to make money and lots of it. Why are rodeos a good place to do this?

4. What personal traits helped Heather succeed when others predicted failure?

5. Could anyone approach a business venture the way Heather did, and succeed?

Heather Sharp

Answers:

1. Heather needed money for flying and rodeo competition entry fees so she started working in her father's veterinary clinic. Here she learned to purchase and sell items on her own.

2. Her travelling shop sells one-of-a-kind horse equipment, silver jewelry, eel skin wallets, and hand-made horse blankets.

3. The rodeos are often frequented by wealthy "horse people" who "like spending money on more than their horse."

4. Heather does not believe failure exists, instead it is simply a challenge that needs to be overcome.

5. No, this venture involved a lot of risk and required Heather to know her product and her customer very well.

Young Entrepreneur Case Studies

Section 2

WHAT EXPERIENCES HAVE I HAD?

o	Karla Addington	Ohio	Bow-Wow Boutique
o	Les Burggraaf	Iowa	The Towne House
o	Jeff Coleman	West Virginia	Coleman Small Engine Repair
o	Andrew DeVito	New Jersey	Adison Jewelers
o	Cindy Fox	Florida	Fox Court Reporting
o	Brett Gibson	Indiana	Mid-American Telephone Supply
o	Maria Esther Hernandez-Hiner	Florida	Cache Optical
o	Carl Keesler	Pennsylvania	Keesler's Custom Woodworking
o	Michael Kukral	Iowa	Michael's Men's Wear
o	John R. Miller	Massachusetts	Bryant Hill Jerseys
o	Julie A. Rodgers	Washington, DC	JARE,Inc.
o	Linda Chell Rooney	New Jersey	Aurora Business Systems
o	Timothy Seward	Michigan	Seward and Associates
o	John Watson	Indiana	M&J Automotive Service, Inc.

Name: Karla Addington

Business Name: Bow-Wow Boutique

Business Address: 6201 Montgomery Road
Cincinnati, OH 45213

Business Phone: (513) 631-3939

Type of Business: Dog grooming

From earliest childhood, Karla Addington was interested in animals. She also had an independent streak, a flair for art and design and a high degree of eye-hand coordination and manual dexterity. When she enrolled in Live Oaks Vocational School, animal care was a logical choice.

At Live Oaks, Karla developed basic grooming skills. Always a "loner," she feels that learning a skill she could enjoy and use helped her "come out of her shell." Her grades improved, and she was voted president of the junior class in animal care and secretary of Future Farmers of America.

Following graduation, Karla worked as a groomer for several shops in the area. The more she saw of these operations, the more she knew that she could do things differently and better. Grooming, Karla feels, is much more than clipping hair off a pet. It involves nutrition. It requires communicating with customers and educating them on all aspects of pet ownership.

In 1979, Karla used $1,000 that she had saved from working three jobs to open her own grooming shop in suburban Cincinnati. This was her opportunity to "bring dog grooming out of the basement and present it to the public."

The public liked what they saw. The Bow-Wow Boutique wasn't just a place to get their dogs' hair cut. Karla's business priorities were cleanliness, courtesy, and quality. She took time to talk with each customer. She stocked pet food, toys, and grooming supplies, with an emphasis on pets' safety and health.

Karla says that her mission in those days and presently was as much education as grooming. She made herself very visible in the community, doing mall demonstrations, writing letters to newspapers, working with animal welfare organizations, and distributing literature. She is an instructor for adult education at Live Oaks and is one of two Certified Master Groomers in Cincinnati. Karla recently hired another CMG like herself. (A Certified Master Groomer is one who is able to groom to breed standards all 127 dog breeds recognized by the American Kennel Club.)

Karla had been right in thinking that the Cincinnati area was ready for "a clean, responsible, professional grooming shop to which they could entrust their 'best friends.'" The Bow-Wow Boutique has expanded three times. "I've watched my 'brain child' grow from the depths of my mother's basement to occupy three storefronts on a main thoroughfare," Karla says.

Never out to make a "fast buck," Karla wanted to build a business that would be permanent. Sales have increased steadily since the beginning, doubling between 1983 and 1986. Karla's eighth year in business promises to be a $200,000 volume year. About 75 percent of profits are reinvested in the business.

She now has 12 employees, but Karla herself talks with each client. "Unfortunately, the dogs can't call and make the appointments," she says, "so it's pertinent that I don't forget what species I am!" She's planning to open a second shop, Bow Wow Boutique Too, in Covington, Kentucky.

Karla's business is organized as a sole proprietorship, because it's important for her to be in control of the business. She learned grooming skills and developed leadership abilities in vocational school, but courses in entrepreneurship were not available then, and there was much she had to learn on her own. Confidence was one of those early lessons. Karla felt intimidated in dealing with salespeople who were her parents' age, so she enrolled in assertiveness training. She feels she's more methodical in her planning and risk-taking now. She's learned to seek help from sources like banks and the Small Business Administration (SBA). Humility, a sense of humor, and persistence were important in her business growth, Karla says. "Failure may depress me, but not for long," she says. "I rarely take 'no' for an answer!"

Her business success has its drawbacks--long hours, much responsibility, little time for the vacations that Karla calls "the lilly pads in the sometimes stagnant pond of life." But these are outweighed by the rewards--the opportunity to travel and meet new people, the respect and recognition of the community.

Section 2

CASE STUDY QUESTIONS

Karla Addington

Dog grooming

1. How did Karla's early experiences affect her decision to start a business?

2. What did her leadership experiences in high school mean to her personal development as an entrepreneur?

3. How is Karla's pet shop different from other's in the area?

4. How did Karla's vocational training help to develop her job skills?

5. What kinds of personal attributes have contributed to the success of her business?

Karla Addington

Answers:

1. She had an interest in animals and worked for several shops that gave her an opportunity to see how she could do things differently.

2. Learning a skill she enjoyed helped her to gain confidence, improve her grades and become junior class president.

3. It was not just a place to get a haircut for your dog. Karla takes time to talk to the customers and provides a variety of pet food, toys, and safe grooming supplies.

4. Karla learned basic grooming skills at Live Oaks. She is presently a Certified Master Groomer.

5. Karla's success may be attributed to her goal of promoting a "clean, responsible, professional grooming shop" that emphasizes pet health and safety.

Name: Les Burggraaf

Business Name The Towne House

Business Address: 1523 14th Street
Rock Valley, IA 51247

Business Phone: (712) 476-2500

Type of Business: Family restaurant

While Les Burggraaf was in high school studying business, he worked part-time in a clothing store and then in a restaurant. After high school, Les attended Northwest Iowa Technical College in Sheldon, Iowa, majoring in marketing management, and continued to work at the restaurant.

At his job Les soon realized that he enjoyed being in charge when the owner was gone. He liked contact with other people, had always had an interest in cooking, and found he was able to put to use many of his newly learned marketing skills. "I enjoyed the restaurant business as an employee and felt that owning my own restaurant not only would be more rewarding, but also would give me the opportunity to put my ideas and dreams to work."

Shortly after his graduation from technical school, Les, age 22, was given the opportunity to buy the restaurant where he had worked for seven years. The owner, his uncle, financed the purchase. Says Les, "I was 22 years old at the time, the farm economy was in trouble (Iowa is considered the heart of the farm belt), and interest rates were sky high. I may not have been able to get the money any other way."

Once in charge, Les put his technical school training to work. He had studied small business management, business law, accounting, advertising, displays, and salesmanship, and "they gave me the basis for running a business, plus the on-the-job training to use what we learned." Especially valuable was his training in keeping accurate records, dealing with employees, and small business management.

The Towne House is a sole proprietorship. Les had 20 employees when he started and now has 28. His sales in 1985 were approximately $295,000, and he put all of his profits back into the business.

While business is flourishing for Les, it has not been easy. The farming community has suffered severe setbacks in the last few years. According to Les, "Our small town depends upon its farmers. If the farmers suffer, so do the businesses that depend on them."

Les survived and grew by meeting customers' demands. He serves the food they want the way they want it. The Towne House features one of the largest and most varied salad bars in the area, a unique town house atmosphere, and separate formal and informal dining areas.

Les enjoys the freedom to operate his business his own way. He says, "I can make changes or add new things, and feel self-satisfied when they work."

He plans to continue at his present rate of growth to increase the net worth of his business. Then his goal is to expand by opening other restaurants and going into catering.

Section 2

CASE STUDY QUESTIONS

Les Burggraaf

The Towne House

1. What experiences in Les's life were most responsible for his choosing entrepreneurship? Did he have any work experience that allowed him to compare owning his own business with an alternative career?

2. Which of his school experiences were most helpful to Les in running his restaurant?

3. How did he choose the business he did?

4. What help did he have in financing purchase of the business?

5. What particular problems did he face as a businessman in a small northwestern Iowa town in the early 1980s?

Les Burggraaf

Answers:

1. Les's work at his uncle's restaurant gave him an opportunity to manage people on his own. This experience helped him determine that he would like to put his own ideas and dreams to work.

2. His technical school training included small business management, business law, accounting, advertising, displays, salesmanship, and on the job training which gave him the basis for how to run the restaurant business.

3. His uncle gave him an opportunity to buy the restaurant after he had graduated from school.

4. Les's uncle was able to finance the purchase of the restaurant which otherwise he might not have been able to afford because of the depressed economy.

5. Les's restaurant business as well as other businesses in Rock Valley, Iowa, are dependent upon the farming community. In the past, when the farm economy was depressed, the business also suffered.

Name: Jeffrey T. Coleman

Business Name: Jeff's Small Engine Repair

Business Address: Route 1, Box 141
Sistersville, WV 26175

Business Phone: (304) 652-1132

Type of Business: Small engine sales and service

Even as a youngster, Jeff Coleman had mechanical ability. He liked to tinker and fix things. He developed his ability by helping his father and grandfather work on their own lawn and garden equipment.

When he was 14, he saw an opportunity to develop his mechanical ability into a business. Almost everyone has a yard with grass that needs to be cut, he reasoned. There have to be lots of lawnmowers, because there are a lot of yards, and these lawnmowers are bound to break down from time to time.

People in his area, he concluded, needed someone to fix their lawnmowers. And Jeff had the ability.

With the help of his father, who had had his own meat business at one time, Jeff accumulated the necessary tools and parts to start a small repair business. He now plans to make this business his career.

Jeff repairs lawnmowers, roto-tillers, and most other small engines associated with lawn care and yard work. He plans on building a bigger shop and going into saw sharpening, hand tools, generators, and three-and four-cylinder engines, too. He hopes someday to incorporate his sole proprietorship.

There are a couple of other repair shops in his area that do the same kind of work he does. But they are operated mostly as sideline or second businesses. Jeff is the only one of these competitors who advertises the ability to repair any type of lawn and garden related equipment.

An A and B student at Sistersville High School, Sistersville, West Virginia, Jeff majored in Small Engine Repair for two years at PRT Vo-Tech Center, St. Mary's, West Virginia. His courses at the vo-tech center dealt mainly with automotive repair, but Jeff was fortunate to have an instructor "who helped me a lot by getting me off in my own corner in small engine work."

He wishes there had been a course specifically for the kind of work he does now. The school is now expanding their facilities and will someday hope to have several courses for those interested in small engine repair, he says.

Jeff joined Vocational Industrial Clubs of America and won local and state competitions in small engine repair both years he was in the vo-tech center. He's proud that he qualified for the nationals--"to compete for the best small engine mechanic in the nation is a great honor."

Jeff's father and grandfather encouraged him to start the repair business. His father's business experience gave him the confidence that he could succeed and the knowledge of pitfalls to avoid. His father still does much of the paperwork for the business, freeing Jeff to concentrate on the mechanical work.

"Money and knowledge," Jeff says, were the biggest problems he faced as a beginning entrepreneur. "You have to have the money to buy the tools and equipment and parts to service this particular business; and you have to have the knowledge to know what you're doing and to do it right and to treat your customers fairly," he says.

After graduation, Jeff returned to P.R.T. Vo-Tech Center for a year to take bookkeeping and other business courses that would help him as an entrepreneur. He also took a home study course through a company that specializes in small engine repair.

Jeff estimates he put 70 percent of his profit back into the business. "I just more or less took a small wage whenever it was necessary and put the rest of it back into the business to help it grow."

His hobby, woodworking, will help him enlarge his business. He and his father have set up a woodworking shop in their garage where they make lawn novelties and "other items that fit into my business that I can sell as in a garden center to help it grow."

Jeff likes the kind of freedom being his own boss gives him. "This way," he says, "I can go into a field that I really like. I don't have to be under someone else telling me how to do my job. I can do it the way I know it should be done." But he also feels the loss of free time, the pressure of being solely responsible for the business, and the responsibility of doing his own planning, advertising, and record-keeping.

"There's more pressure," he says. "You have to be there for the business, you have to take care of it, and you have to give up a lot of your free time."

Section 2

CASE STUDY QUESTIONS

Jeffrey T. Coleman

Small engine sales and service

1. How did Jeff Coleman see that his particular abilities would fill a community need?

2. What various experiences helped Jeff to sharpen his mechanical ability?

3. He says his father was his biggest influence. How did his father influence Jeff?

4. What sets Jeff apart from his competitors?

5. What growth plans does Jeff have for his business? How does his hobby fit into those plans?

Jeff Coleman

Answers:

1. The people in his area needed someone who could repair their lawnmowers and other small engine equipment; they needed someone who could do the repairs and was available full time.
2. He joined VICA and competed in local and state competitions in small engine repair. He had a vocational instructor who helped him. He also helped his father and grandfather work on their own lawn and garden equipment.
3. His father encouraged him and his business experience gave Jeff the confidence to start his own business. He provided belief in success and knowledge of the dangers to watch for.
4. His is the only full-time business in the area. He advertises that he is able to repair any type of lawn and garden equipment.
5. Jeff returned 70 percent of his profit to his business to aid its growth. He is diversifying by using his woodworking skills to build and sell such small items as lawn novelties.

Name: Andrew DeVito

Business Name: Adison Jewelers

Business Address: Rockaway Town Square Mall
Rockaway, NJ 07866

Business Phone: (201) 361-1722

Type of Business: Retail jewelers

Andrew DeVito's training for entrepreneurship actually began when he was a teenager, and a marketing education student at Clifton High School, Clifton, New Jersey.

"We concentrated on the mechanics, the very essence of sales: showing your products, building the desire, creating the need by establishing the buying motives, handling customer objections, and closing the deal. "I can't tell you," Andrew says, "how many times, to this day, I employ these fundamentals."

Today, at age 36, Andrew owns and operates jewelry stores in Rockaway, and Livingston, New Jersey, and he has had interests in stores in Hackettstown, Saddle Brook, and Valley Stream, New York.

But starting his own business was just the beginning of Andrew's success. He also has renovated residential complexes and offices in Landing and Flanders, New Jersey, has acquired interests in a television show, and is currently negotiating to acquire and develop a strip shopping center. As his next business step, he says he is considering developing a 31-acre shopping center.

Despite all this, Andrew believes his success "is still to be realized." The reason is that he is just beginning to unlock the power that comes from persistence and faith in oneself.

"I was successful in starting a business, but until I completely understood the power of faith, desire, well-organized plans, persistence, and specialized education," Andrew says, "I had no idea of the magnitude or rapid rate of growth that could be attained."

He gives his marketing education instructors much of the credit for teaching him these principles. "They never quit, nor did they allow me to throw in the towel," he says. He was vice president of the local DECA chapter in his senior year. He believes that the training he received in high school vocational classes and DECA activities was more beneficial in helping him start his business than his next four years at Essex County College, Newark, New Jersey, and Patterson State College, Wayne, New Jersey, where he majored in economics and pre-law.

Andrew's actual on-the-job experience started during his junior year of high school. He went to work as a stock clerk with a local jeweler. He progressed into sales, and stayed with the store on a part-time basis through his four years of college.

When he graduated from college, his employer offered him a full-time job at a higher salary than he would have been able to command in marketing, his major. When Andrew decided to make the jewelry business his full-time career, he obtained further training in the Gemologist Institute of America (GIA) program.

"It did not take me long to realize that with persistence, dedication, and the know-how I had already acquired, I would be able to make a success of my own business," he says.

When he decided to buy his own store, he says, "I worried about the money to finance the business last." He first negotiated the best possible deal he could, persuaded the seller to take back a note, after an initial down payment, with a balloon provision and a moratorium on his installment payments while he got the business up and running.

He borrowed some money from his grandparents, and once he had the store on a sound footing, he established a revolving line of credit with a bank.

His company, Adison Jewelers, has a market position among the top four percent of jewelers nationally. Gross sales are more than $1 million per year per store.

Andrew believes that he outsells the competition because he is able to attract a higher calibre of employee. His stores' pay is based on performance, and wages are reviewed automatically. All upper management personnel are either enrolled in or have graduated from Gemologist Institute of America (GIA).

Success, Andrew believes, comes to those who refuse to give in to doubt and fear. These twin evils "can and will immobilize the vast majority of would-be entrepreneurs," he says. "When I found it difficult to believe in my own abilities I put my faith on the line. It has become clear to me that through faith in my abilities and persistence, I can overcome most obstacles."

Section 2

CASE STUDY QUESTIONS

Andrew DeVito

Adison Jewelers

1. Why didn't Andrew DeVito take a job more in line with his college training?

2. What experiences prepared him to own a jewelry store? How did he add to his knowledge?

3. How does Andrew DeVito keep Adison's competitive with some of the nation's biggest jewelry chains.

4. Why does he think he is now experiencing only the beginning of his success?

5. "Doubt and fear can immobilize the would-be entrepreneur," Andrew says. How? How did Andrew keep them from immobilizing him?

Andrew DeVito

Answers:

1. His employer offered him a higher salaried position than he would have received from a position in marketing which was his major in college.

2. He started working as a stock clerk with a local jeweler during his junior year in high school. He worked his way up to sales and worked part-time throughout his four years of college. After making the decision to make a career of the jewelry business, he received further training at the Gemologist Institute of America (GIA) program.

3. Because of his employee benefits, he is able to attract a "higher caliber of employee." He bases the pay on performance and the employees' wages are reviewed automatically.

4. Andrew believes that he is just beginning to unlock the power that comes from persistence and faith in oneself.

5. Doubt and fear prevent you from overcoming obstacles. Andrew prevented this from happening to him by putting faith in his own abilities and persistence on the line.

Name: Cindy L. Fox

Business Name: Fox Court Reporting

Business Address: 240 N. Washington Blvd., Suite 313
Sarasota, FL 33577

Business Phone: (813) 951-1552

Cindy Fox turned her "fast fingers and brain" and her drive and self-discipline into a successful court reporting business eight years ago.

An excellent student, she was trained as a Licensed Practical Nurse at Sarasota County Vo-Tech, Sarasota, Florida, and studied music and nursing at Manatee Junior College, Bradenton, Florida.

But she was dismayed at the low salaries of the jobs that were available to her. "And I wanted the flexibility of a higher income and independence of doing things my way," she says.

She noticed that there seemed to be a demand for court reporters in her area, so Cindy returned to Sarasota County Vo-Tech for a one-and-a-half-year course in machine shorthand. She went to work for a court reporting firm and gained valuable experience in her field.

But others less skilled than she were in business for themselves. "So why couldn't I?" Cindy asked herself.

The initial investment was minimal. Cindy purchased the necessary equipment and supplies with her own savings. The most she had to lose, Cindy felt, was the year and a half she had spent in court reporting school. At first the going was slow, as clients learned she was at a new address. The greatest change in her life-style was overwork.

Deadlines are important in her business. Now Cindy keeps her workload small enough so that she can always get jobs out on time. Therefore, her clients call her back.

Cindy takes verbatim transcript of every word spoken in a court proceeding, as well as depositions, statements, and other dictated legal documents. Then she transcribes her shorthand notes to typewritten form.

"It's a very high pressure job not only in recording the proceedings, but in transcribing, because of the deadlines that have to be met and research that needs to be done in specialized cases," Cindy says. She has the self-discipline to meet these deadlines.

Speed and accuracy are essential. Cindy's competence at English and spelling are helpful. Piano lessons helped her develop good eye-hand coordination at an early age. Her nurses' training is useful with medical testimony. In fact, Cindy says, "any special knowledge about anything will help you to more competently report an engineer's testimony, for example."

Her former husband started his own business, and through talking with him and doing his bookkeeping, Cindy learned a lot about advertising, dependability, and other business principles.

She learned from working at another court reporting firm to accept only clients who pay their bills on time. She refuses to work for attorneys who don't.

Last year, Cindy's business grossed $35,000. She put $10,000 back into the business. She has organized her business as a partnership in order to have someone to share expenses and work load. She'd like the company to grow sufficiently to hire a couple of other stenographers so that she could spend some time at other things.

As for failure, Cindy advises, "Never look backward, always forward, and try not to keep making the same mistakes."

For someone who wasn't even interested in business when she was in school, Cindy finds entrepreneurship rewarding. She enjoys the independence of owning her own business. She likes not having to give a portion of her income to another firm owner.

And besides, she says, "It's slightly ego-flattering."

Section 2

CASE STUDY QUESTIONS

Cindy L. Fox

Fox Court Reporting

1. When did Cindy Fox first become interested in owning her own business?

2. How did she get the necessary training for her chosen field?

3. What personal qualities made Cindy sure she could succeed?

4. How did her other schooling help her meet the demands of court reporting?

5. What innate abilities are needed for an occupation like court stenography?

Cindy L. Fox

Answers:

1. When she found out that as a trained practical nurse the salaries were low and the job market slim.

2. Cindy returned to Sarasota County Vo-Tech for a one-and-a-half-year course in machine shorthand.

3. Cindy was sure that she could succeed because the job called for many qualilties that she possessed--self-discipline, speed, accuracy, punctuality, English, and spelling competency.

4. Piano lessons helped her develop good eye-hand coordination while her nurses training is useful when she is transcribing medical testimony.

5. You must have the ability to work well under pressure.

Name:	Brett Gibson
Business Name:	Mid-American Telephone Supply
Business Address:	4575 Wabash Avenue Terre Haute, IN 47803
Business Phone:	(812) 877-2442
Type of Business:	Telephone systems and equipment sales, installation and service

Brett Gibson, while possibly not unique, certainly is an unusual person. At the age of 10 he started his own business as a hobby, selling and installing telephones. He was mostly self-taught, although a fifth grade teacher had gotten him interested in electronics, which was to become valuable as his business diversified.

His business grew steadily until, at the ripe old age of 15, Brett decided to expand into commercial telephone systems as well. About that time, Terre Haute enacted an ordinance requiring licensing of all telephone installers, and Brett was to become fully acquainted with age discrimination. Included in that ordinance were the requirements that licensed installers be at least 18 years of age and have five years of experience.

Brett says, "I have never given up when told I could not do something." He applied for his license and was turned down by the city controller because he was too young. He went through "the longest battle of my life." Brett was still doing battle when a local newspaper intervened on his behalf, and at last the age restriction was removed (the experience restriction may soon be lowered also, although it does not affect Brett.)

Brett sees himself as a determined, innovative go-getter, and the success of his business seems to bear this out. His company now has over 250 commercial telephone systems in service, some in large corporations. He employs seven full-time people.

While Brett has learned the business mainly on his own, he has had help from telephone distributors across the country with such things as growth, setting up accounts and establishing credit. His parents, too, have given him a lot of support, as well as the local Chamber of Commerce, with their advice on setting up and advertising his new location.

Today, at 17, Brett is a senior in the marketing education program at North Vigo High School. Here he is learning the language of business and some all-important administrative skills. "I feel that DECA is teaching me even more business terms and is getting me involved with the standard business practices."

Brett is proud that, in a field with a high failure rate, he is succeeding. "I feel the most creative aspect of my business involves the complexity of the communications industry. Most interconnect companies in the area can't keep up." He targets businesses that rent their phone systems and are dissatisfied with the service they are receiving. These people are "still paying the high prices of renting...when they could purchase the system and pay it off in one or two years." Mid-American's territory at present includes Indiana and all surrounding states.

Brett intends to continue his company's growth in the communications field, from business telephone systems to cellular telephone service. "I want to have the only telephone interconnect company in Terre Haute, and I'm very close," says Brett. The company is presently expanding into nationwide distribution of telephone equipment.

CASE STUDY QUESTIONS

Brett Gibson

Mid-American Telephone Supply

1. How did Brett find a business niche that he could fill? What community needs does his business serve?

2. What particular kind of discrimination did Brett face, and how did he surmount it?

3. From these experiences, what do you discern about Brett's character that will help him succeed in business?

4. What school experiences were especially helpful to Brett as an entrepreneur? How has DECA been valuable?

5. What goals has Brett set for his business?

Brett Gibson

Answers:

1. Brett was able to turn his hobby, selling and installing telephones, into a business. His business gives the community an opportunity to purchase instead of rent a telephone system.

2. Brett was 15 years old when a city ordinance was enacted that required licenses for all telephone installers and a minimum age requirement of 18 years old with 5 years experience. His determination and the help of a local newspaper aided him in winning the battle.

3. His character suggests that he is dedicated to his business and determined to make it prosperous. He is a "fighter."

4. DECA is especially helpful because it is providing Brett with information in business terms and practices.

5. Brett would like to see his company continue to expand into nationwide distribution of telephone equipment and eventually into cellular telephone service.

Name: Maria Esther Hernandez-Hiner

Business Name: Cache Optical

Business Address: 6409 N.W. 200 Street
Miami, FL 33015

Business Phone: (305) 624-2020 or (305) 822-0099

Type of Business: Eyewear boutique

Maria Esther Hernandez-Hiner had always been independent, good with numbers, quick-thinking, and artistic. She grew up in a family that encouraged her to study and have a goal in life, preferrably in business. Her grandfather had owned a jewelry business, while her parents owned and operated a food market. With this background, owning a business came naturally to her.

After high school graduation, Maria went to The School for Interior Decoration and Design and then to Miami-Dade Medical Center Campus (both in Miami, Florida), where she first completed a two-year vocational program and then earned her optician's degree.

Maria's program in vocational school was vision care technology/opticianry. Her on-the-job training was with Pearle Vision Center, where, she says, she "received most of my training aside from school--skills like management, selling, fabricating, and ordering."

After her schooling, using personal savings plus a bank loan, Maria purchased one and then another Pearle Vision Center franchise. She later sold both of them to start her own business, Cache Optical, an eyewear boutique selling eyeglasses, binoculars, sunglasses, solutions, and miscellaneous eyewear items. There is a licensed doctor on the premises to perform eye examinations.

Aware of the universal need for good vision, Maria did careful research before opening her boutique. In order to locate potential customers, she had a survey made of the population and average income within a five-mile radius of her projected store location. Attorneys, accountants, family members, and close friends helped her start her business.

Maria's training in interior design was put to good use when she decorated her store. She wanted to create an atmosphere that was both professional and friendly. Says Maria, "The difference between my store and those of my competitors is that we are extremely friendly to our customers and we maintain a hospitable atmosphere by offering coffee, soft drinks, and candy while they wait." Maria is bilingual (English and Spanish)--a decided advantage in the Miami area.

Cache Optical operates as a corporation. Maria likes the tax advantages and the protection of her personal assets that a corporation offers. At first, Maria was the only employee. She now employs a student as well. Sales figures are not yet available for Cache Optical. However, Maria's sales in 1985 from her two franchises amounted to $520,000, with profits around 38 percent.

Maria's goal is to increase volume as much as possible. She plans to expand by opening as many retail outlets as she can handle while maintaining firm control.

Because for many years she worked while attending school, Maria has sacrificed most of her personal time in order to become an entrepreneur. But she feels it has been worthwhile. She credits her long hours of hard work, as well as her insight into customers' wants and needs, as two of the reasons for her company's success.

Summing up her entrepreneurial experience, Maria says, "The reward of being in your own business is the knowledge that all the time and dedication put into the business are making it grow more and more every day . . . that it had paid off!"

Section 2

CASE STUDY QUESTIONS

Maria Esther Hernandez-Hiner

Eyewear Boutique

1. What entrepreneurship skills does Maria suggest are important in setting up a successful small business?

2. How was Maria able to use her personal interests and hobbies to help set up her optical business?

3. What kind of personal sacrifices did Maria have to make to become an entrepreneur?

4. What past experiences have helped to motivate Maria to start her own business?

5. What kinds of attitudes did Maria exhibit in school that contributed to the success of her business?

Maria Esther Hernandez-Hiner

Answers:

1. Maria seems to feel that an entrepreneur should understand customer needs and possess management, selling, and administrative skills.

2. Her interests in interior design were useful when she decorated her store. She was able to create an environment that was somewhat different from those of her competitors.

3. She had to sacrifice most of her personal time because of the school and work committments that enabled her to gain the knowledge and skills necessary to start her own business.

4. Maria's grandfather owned a jewelry business and her parents owned a food market. Her family encouraged her to follow in their footsteps by encouraging her to have a career as an entrepreneur.

5. Maria showed persistence and drive by working and attending school at the same time. She also seemed to be very goal-oriented.

Name: Carl Keesler

Business Name: Keesler's Custom Woodworking

Business Address: R.D. 1, Box 80
Damascus, PA 18415

Business Phone: (717) 224-4542

Type of Business: Fine furniture making

Carl Keesler learned his craft in high school. His field was woodworking, and his school had an exceptional program and teacher. Says Carl, "If a student was willing to learn, the school was willing to teach." His ability in math prompted him to study accounting and all the math he could. Later, he was glad he did.

Carl was taught by his family the importance of hard work. When he was young, he raised and sold pumpkins and mowed lawns for money, learning the value of saving. "I very seldom waste money," he says.

While Carl was still in high school, people began to notice the quality of his woodworking. Orders started coming in. He soon was running a part-time business.

After high school, Carl went to work for a furniture company in his home town, while still running his part-time business. When his employer went bankrupt, Carl, at age 19, was faced with a choice: go to work for someone else or expand his own part-time business. He decided on the latter. Carl had always possessed self-discipline, had a lot of energy, and had learned from the mistakes of his previous boss.

Carl financed his business with money saved while in high school and a modest bank loan. He had been acquiring tools and equipment for some time. His parents supported his venture; his shop teacher provided valuable tips on running a businesss; and an accountant helped Carl set up a bookkeeping system. Friends helped him build his own shop.

At first, Carl found finances a problem. "It was hard to get going because I had to reinvest every dollar I made." However, he finds the rewards of owning his own business very satisfying. "I can work my own hours as long as the work gets done," he says. He also enjoys knowing that another boss isn't benefiting from his hard work.

Carl's business is a sole proprietorship because he didn't want anyone else involved when he started out. Sales for 1985 were $13,000, and 70 percent was put back into the business. He is his only employee.

While there is some competition in his area, Carl responds by using different woods and materials and by limiting his production to furniture and associated wood items. Carl says, "I try to put a personal touch into the furniture I build." He continually experiments with new techniques, trying to find quicker and better building methods.

Carl has learned that operating a business isn't as easy as he had thought it would be. He tries to learn from his mistakes, but firmly believes it costs too much to make many mistakes. While getting his business off the ground, he found himself with very little free time. Now he prefers to schedule time for personal interests. "After all, work isn't everything," he states.

In the future, Carl wants to have a furniture showroom, even though it will require a lot of work and money to stock it. Meanwhile, incoming customer orders keep him busy. His goal is to have a complete shop set up and paid for by age 25. "I'm about halfway there," says Carl. "My goal is to make as much money as possible. I would like to be comfortable in the future."

Section 2

CASE STUDY QUESTIONS

Carl Keesler

Fine furniture making

1. What kinds of learning experiences helped Carl decide to turn his part-time business into a full-time endeavor?

2. What natural abilities does Carl possess that are absolutely necessary to the existence of his business?

3. What kinds of personal and educational experiences helped Carl choose a career goal?

4. What does Carl do to gain expertise in the woodworking business?

5. Since starting his business, what lessons has Carl learned?

Carl Keesler

Answers:

1. Carl's employer went bankrupt and Carl was faced with the choice of either working for someone else or starting his own business.

2. Carl had natural abilities in math and, apparently, good manual dexterity.

3. The school Carl attended had an exceptional woodworking program and an exceptional teacher for the program. Carl's family taught him the importance of hard work.

4. He continually experiments with new techniques, trying to find faster and better furniture contruction methods.

5. Carl has learned that operating a small business isn't as easy as he thought it would be.

Name:	Michael E. Kukral
Business Name:	Michael's Men's Wear
Business Address:	205 East Bremer Waverly, IA 50677
Business Phone:	(319) 352-1232
Type of Business:	Men's clothing store

While Michael Kukral was running one morning, he had a dream--"the Great American Dream," he calls it. He wanted to open his own men's clothing store. Michael couldn't get that dream out of his mind. "I kept thinking about it, and every day I would ask myself if I had the ability, energy and resources."

Michael started working at age 14 selling travel trailers. That was when he realized, "I could make money by talking." Michael later worked for a grocery store through his Marketing Education program at Waverly-Shell Rock High School, Waverly, Iowa.

After graduation Michael worked eight years in the clothing field. He liked people and had the satisfaction of seeing some of his ideas successfully implemented, but Michael wanted more. He acquired his start-up financing through savings and a Small Business Administration loan.

Through research and observation, Michael targeted 25- to 40-year old professional men as his potential customers. These men, he reasoned, had more disposable income and were required to dress well in their professions. Michael says, "They were not price- or distance-conscious."

Michael's Men's Wear opened when Michael was 28. He offers high quality clothing at reasonable prices for both men and boys. He prides himself on the way he runs his business. Says Michael, "We are very friendly and never pushy. We urge customers to feel good in the store--let them browse." He enjoys the challenges, fulfillment and community respect he received through owning his business.

Michael's Men's Wear is a sole proprietorship with two employees. Sales for 1985 were $212,000, with 95 percent of profits going back into the business.

Michael has a firm set of goals. He wants to expand into career women's fashions, adding a double front to his store. He wants to have his store paid for by March, 1990, be profitable every year, gross over a million dollars in sales after three and a half years, set up his own credit card system, and incorporate by 1989. Says Michael, "I want to make enough money so my wife won't have to work."

Section 2

CASE STUDY QUESTIONS

Michael Kukral

Michael's Men's Wear

1. How does Michael epitomize the "Great American Dream"? What part did it play in his motivation to go into business?

2. What needs did Michael perceive in his community that helped him make his decision to open his own store?

3. Michael targeted his merchandise toward a particular kind of customer. Describe that target customer and why this made good business sense.

4. What prior educational and work experiences did Michael have that guided his choice of business?

5. Michael has some very definite business goals, and a timetable for meeting them. What are they?

Michael E. Kukral

Answers:

1. Owning your own business. He wanted to own his own men's clothing store.

2. He noted that professional men needed appropriate clothing to wear. They were not price or distance conscious when it came to dressing for their profession.

3. He targeted the 25 to 40 year-old professional men. This made sense because many men in this group were apparently not price or distance conscious.

4. He sold travel trailers and worked for eight years in the clothing field. In high school he was in marketing education ("a DECA program").

5. Michael wants to expand into career women's fashions, have his store paid for by 1990, be profitable every year, gross over a million dollars after three and a half years, set up his own credit card system, and incorporate by 1989.

Name: John R. Miller

Business Name: Bryant Hill Jerseys

Business Address: 100 Bryant Street
Chesterfield, MA 01012

Business Phone: (413) 296-4400

John Miller's roots go back 200 years in the town of Chesterfield, Massachusetts. He chose to start his own dairy and Jersey cattle breeding business partly as a way to maintain that heritage.

John's grandfather was a dairy farmer. His mother's family had farmed in Chesterfield for generations, though the family farm was sold before John decided to go into business.

John had operated his own egg business from the age of 10. From age 12, he was involved in 4-H projects breeding registered Jersey cattle. At school he maintained a "respectable" grade level, he says. He was active in 4-H and FFA (Future Farmers of America) activities and held both local and state offices. He is still an assistant 4-H leader.

These activities gave John experience in public speaking and debate that has proven valuable in business. He belongs also to non-agricultural civic groups in Chesterfield. He believes it's good public relations.

John majored in animal science at Smith Vocational High School in Northampton, Massachusetts. He also attended the State University of New York at Delhi, New York, for one semester and took artificial insemination instruction at the University of Massachusetts, Amherst, Massachusetts.

This formal training "taught me many techniques in dairy herd management, record keeping, ration balancing, soil management, crop growing, financial projecting, and other aspects of farm management so extremely essential in successfully getting a dairy business off the ground," John says.

In addition to producing high quality milk, John's Jersey herd has been a consistent winner in breed competition, and he sells breeding stock in all parts of the country. He has two local dairy farms as competition. However, the other two do not sell breeding stock. John believes his stock sales give him a shield against the ups and downs of the milk market.

When he first went in business, many dairy farmers favored Holsteins. But John had faith in his Jerseys, and he finds the popularity pendulum is now swinging in his direction. He likes being his own boss, because he can make decisions to improve the breed.

"I've shown my lenders that Jersey cows are efficient dairy cows worthy of investment," he says. "The farm's roughage program has more than doubled through land improvements. I set production and classification goals for the herd, and we've surpassed them."

Though John is now a sole proprietor, that is not the form of business he originally preferred. He tried to go into partnership with a couple of other dairymen "in hopes that I wouldn't have to have such a great cash outlay," he says. The partnership didn't work out. John had to finance his farm with a large mortgage. "It wasn't what I really wanted to do at first, but it's worked out okay," he says.

Last year's sales amounted to about $135,000, and half John's profits were put back into the business. With milk prices down, this has been a break-even year so far. John hopes for "a year good enough so I can make a solid profit," because he'd like to be more secure financially and there are several land and building improvements he'd like to carry out.

John is finding out first-hand that farming carries more risk than other businesses. He says he tries to learn from his mistakes but recognizes that "lots of times there are things that are just not my fault as far as uncertainties in the market place and prices and things of that nature."

One thing entrepreneurship demands is that he "be more flexible with finances and be willing to put more back into the business than into the household."

And his advice to anyone contemplating starting his own business is to know what he's getting into. "If you can get involved working with someone or for someone before you decide to take the big plunge--unless you already have a lot of experience from your background or upbringing--I think that's a very good place for starters."

Section 2

CASE STUDY QUESTIONS

John R. Miller

Bryant Hill Jerseys

1. How did John Miller's family background figure in his decision to become a dairy farmer?

2. What were his early entrepreneurship and agricultural experiences?

3. How did vocational, college, and technical training help him reach his career goal?

4. How does his stock breeding and sales program help reduce the ups and downs of dairy farming?

5. Why would John have preferred a partnership to start with?

John R. Miller

Answers:

1. John's decision to become a dairy farmer was partly based upon 200 years of family farming.

2. John operated his own egg business at the age of 10 and was involved in 4-H projects.

3. His involvement in 4-H and Future Farmers of America (FFA) provided him with valuable public speaking and debate skills. John also took specialized courses such as artificial insemination and formal training in entrepreneurship.

4. John sells breeding stock and uses the sales as a shield against the uncertainty of the dairy farming market. His competitors do not sell breeding stock.

5. He preferred a partnership because it would have reduced his initial cash outlay.

Name: Julie A. Rodgers

Business Name: JARE, Inc.

Business Address: 3241 M Street, SE
Washington, DC 20019

Business Phone: (202) 575-4894

For Julie Rodgers, failure led to the start of a promising business. An advanced placement humanities student as well as marketing education student in Howard D. Woodson High School in Washington, DC, Julie went on to a broadcast journalism major in college.

But working with a local television channel showed her that she really did not like "hard news." Yet she had skills that served well before the camera--or in business. "I was very good at talking with people, very good with interviews," Julie says.

She also had won honors in national Distributive Education Clubs of America competition; she paid particular attention to her looks, grooming, and clothes. This combination of interests and experience led her to form her own professional skin care business, JARE, Inc., in 1986, when she was only 23 years old.

Julie received professional training at Yvonne de Vilar Scientific School of Skin Care, Vienna, Virginia. Using her sales skills as a Mary Kay cosmetics consultant also helped formulate her business goals.

She views failure as educational. "You fall down, get up, brush yourself off," Julie says. "Don't worry about what people think, worry about what *you* think: 'Am I doing this for the right reasons? In the long run, is this going to be good for me?'"

Julie's personal savings went into the start-up of JARE, Inc. She went to free courses offered by the Better Business Bureau on how to start a business. On the advice of a lawyer, Julie incorporated her business, because she intends to add employees. Her first goal is to finish her college degree. "The next thing is to duplicate yourself, and train other people to do what you do," Julie says.

Her immediate business plan is to get support from at least 10 beauty salons so that she can begin to solicit the kind of money she needs to help her business grow. From $30,000 sales (mostly of Mary Kay cosmetics) last year, Julie intends to have a $5 million company and be selling her products in every state within five years.

She thinks youth can actually be an asset in one's own business. "Your youth can work to your advantage because you have a lot more energy and you will be open to learn more as you go along," she says.

Julie describes herself in high school as the "eternal participator." She was state DECA president and student government president, and was involved in musical theater. Her "B" average could have been "A", she believes, but she was more interested in a well-rounded student life.

Math was her weakness, and still is. "I double check and I triple check myself, and then I give the figures to my mother."

Her mother, in fact, is vice president of JARE, Inc. (though none of her money is involved), and is the biggest influence in Julie's life. Education is important to Julie; her mother is an educator. The first in her family to attend college, her mother is now working on a doctorate. Her influence is "not as a business woman but as a Black woman who was brave enough to go to college and get a degree--I mean in the '60s, when women, especially Black women, were not getting their degrees," Julie says.

Education is part of her business strategy, too. As a cosmetics salesperson, she had noticed that "women would go in and have their make-up done, and the focus was on selling the product, so a lady would leave the store with $200 worth of make-up, get it home, and not know what to do with it."

JARE's competition is private label cosmetic companies that market to beauty salons. "We differ from our competitors in that we make the marketing plan more attractive for the salon owner," Julie says. "Our company will actually go in and work with the salon on marketing strategies so the product sells better."

Sales are not the most important thing in her business, Julie feels. "Make-up seems to be the doorway to all the other channels that women use to make themselves feel better personally. JARE doesn't just deal with the face; we deal with an attitude."

For Julie, work is fun. Entrepreneurship makes the difference. "I work for fun because I'm really loving what I'm doing," she says. "I'm very independent, I don't like 9 to 5 jobs, I don't like the idea of going to one place and working for eight hours and leaving and returning to that place again, unless, of course, that office is mine."

Section 2

CASE STUDY QUESTIONS

Julie A. Rodgers

JARE, Inc.

1. Describe Julie's attitude toward failure. How did "failure" at her original career goal lead to the start of her own business?

2. What did she notice about cosmetic sales and cosmetic buyers that caused her to form a different business strategy with JARE, Inc.? What is that strategy?

3. What are her expansion goals?

4. Describe Julie's mother's influence on her life and business.

5. What are the major satisfactions Julie finds in owning her own business? In her particular line of business?

Julie A. Rodgers

Answers:

1. Julie sees failure as an educational experience. Failure led to the beginning of her business venture.
2. Julie believes that make-up is the main ingredient that women use to make themselves feel better personally. As a result she wants to help educate her clientele in the use of make-up.
3. She is presently seeking support from at least 10 beauty salons where she can sell her line of cosmetics. Within five years, Julie intends to have a $5 million company.
4. Her mother's influence showed Julie that she could be Black and successful.
5. Owning her own business allows Julie to be independent. She likes what she does as it is more fun than it is anything else.

Name:	Linda Chell Rooney
Business Name:	Aurora Office Systems
Business Address:	High Bridge Road, R.D. #2, Box 460 Trenton, NJ 08620
Business Phone:	(609) 298-0331
Type of Business:	Computer-based office services

Linda Rooney's early training led her into the secretarial profession, where she quickly became disillusioned. Although she was highly skilled, the "lots of responsibility with no authority" syndrome was frustrating for her. Says Linda, "For a secretary, there is lack of opportunity for advancement in almost every industry. I have felt for a long time that secretaries are grossly underpaid."

Although Linda was performing on a management level, she was told there would be no position higher than "secretary" available for her. She often had been called on to develop and implement office efficiency measures, use her computer knowledge to increase productivity, or recommend computer systems; however, her well-informed and workable solutions often went unused. She states, "I saw owning my own business as a way to eliminate this frustration and to profit from my expertise in office automation."

Linda opened her business at age 26, purchasing a computer and software with a personal loan. During the first year her office was a spare bedroom and the office furniture an old student's desk from her husband's college days. Says Linda, "After a year in those cramped quarters, I was able to purchase 'real office furniture' and filing cabinets, and I set up my office in another room at home, which serves to this day."

Aurora Office Systems provides computer-based office services including word processing, automated bookkeeping and payroll, data entry and mass mailings. Linda's targeted customers are businesses "faced with unexpected or temporary support staff shortages, seasonal work-flow changes, or periodic large projects with tight deadlines." She offers relief from disappointing temporary employment agencies and morale-lowering employee overtime. "We sell peace of mind, she states."

Linda received her occupational training at Hamilton High-West, Mercer County College and Trenton State College, all in Trenton, New Jersey, majoring in business administration. Her high school education gave her skills in English, grammar and communications, which she found invaluable in obtaining her first job (through the school's cooperative work program). At college she was introduced to the professional business world and was "encouraged to use my initiative to fill an obvious gap in office support systems."

Aurora Office Systems is presently a sole proprietorship. While Linda is the only employee, she has four standby independent contractors to help out when the work load is too much.

Linda's dream is to expand her business into a "total office concept" in an office condominium setting. She wants to lease or purchase her own office building and provide all office support services to tenants.

In Linda's words, "I want to manage my business, not work at it. I have put in my time at the keyboard, at the computer, pouring coffee. I now feel like a professional, even when I have to do my own typing, but I prefer marketing and managing. In order to achieve this personal goal, my business will have to support both me and a full staff of employees, a situation which I anticipate happening within the next three years."

Section 2

CASE STUDY QUESTIONS

Linda Chell Rooney

Aurora Office Systems

1. Describe Linda Chell Rooney's disappointment with the secretarial field and how it made her determined to own her own business.

2. What were her major expenses as she started her business?

3. What are her expansion goals?

4. How did she target her clientele?

5. What areas did Linda receive training in, besides office skills, and how are these important to an entrepreneur, more than to an employee?

Linda Chell Rooney

Answers:

1. Although Linda was highly skilled as a secretary, there was a lack of opportunity for advancement. Owning her own business gave her a chance to both eliminate the frustration she felt with the job market and profit from her expertise.

2. Linda's major expense was a computer and its accompanying software.

3. She hopes to expand her business by leasing or owning an office building and providing all office support services to the tenants.

4. Aurora sees a potential customer in any business that is faced with "unexpected or temporary support staff shortages" for whatever reason.

5. Linda also received training in English, grammar, and communications which helped her obtain her first job.

Name: Timothy P. Seward

Business Name: Sunrise Warehouse Distributors

Business Address: 820 North Euclid Avenue
Bay City, MI 48706

Business Phone: (517) 684-1211

Type of Business: Auto detailing, rustproofing franchise and auto supply distribution business

When Timothy Seward was a teenager, $37.50 seemed like a lot of money. While going to school, Tim earned about $80 a week--$50 clerking in his father's law office and $30 frying fish at Long John Silver's.

From a packet that came in the mail, he learned about an opportunity to sell advertising specialties. His first sale was for $150, and he got to keep 25 percent--$37.50. In one hour he'd earned more than he did frying fish for a whole week at Long John Silver's.

That wasn't the only eye-opener Tim experienced in selling imprinted key chains, bumper stickers, matches, and calendars to businesses. His customers were mostly local stores and restaurants that would place orders for 100 or so items to give away to their customers. Tim would get to talking with them and learn something about their business. He thought to himself, "Gosh, if they can do it, I can, too."

When he was 18 he bought a Tidy Car franchise that he read about in a magazine. It involved an outlay of less than $2,000 for a kit of auto polishing supplies. Tim hired other people to polish people's cars in their driveways.

Tidy Car offered a Corvette to the U.S. franchisee with the greatest increase in business. "I got pretty excited about that, and over a three-month period we increased our business about 1200 percent," Tim says. Tim won the Corvette.

One of the first places he drove it was to the bank, where he offered it as collateral on a $10,000 loan. He used the loan to purchase equipment and fixtures for a rented two-bay Gulf station--his first business location.

From that location and two employees, Tim's Tidy Car franchise has grown to four locations (Bay City, Saginaw, Midland, and Flint, Michigan). Their cumulative business volume this year will exceed $1.4 million.

Tim has also started a warehouse distribution company that sells sun roofs, running boards, rustproofing chemicals and other automotive supplies to businesses like Tidy Car. In the first six months, the distribution company did $600,000 worth of business. Tim will gross about $2 million this year between the two businesses, and double that next year, he thinks. Most of his profit goes back into the business.

Each of Tim's businesses is a separate organization. Two of the Tidy Car locations are corporations. Tim's father is a partner in one, a friend in another. The others are sole proprietorships.

Tim credits the flexibility of the distributive education program at Bay-Arenac Skill Center, Bay City, Michigan, for allowing him to operate his own business on a time release arrangement. He was a top-notch student in a college preparatory curriculum, but believes he learned more from distributive education "because it was so pertinent to what I really wanted." Actually, after six months in college he decided that his business needed him more than he would need college.

As state DECA treasurer in high school, Tim developed his leadership skills. He says that his campaign tour of 40 high schools, within the state of Michigan, was a lot of fun, but, also taught him much about people at the age of 18.

The most helpful thing in operating his businesses, Tim says, is his sales ability, which he developed strictly out of necessity by "reading every single book I could possibly find on sales and selling." Knowledge gave him the confidence to weather the "tear-your-hair-out months" when he was starting out.

He thought his target market would be executives who did not have time to take care of their cars. But he's finding that he gets a lot of business from retired people and "just average working folks."

He markets his services aggressively on television and radio, matching his message to the seasons. He doesn't downplay the competition. Instead, he stresses the added advantages of Tidy Car.

"We consider the customer to be the most important reason why we're in business," Tim says. Integrity and trust are essential. "When you tell someone you are going to do something, you do it in 100 cases out of 100," he says.

Section 2

CASE STUDY QUESTIONS

Timothy Seward

Sunrise Warehouse Distributors

1. Where did Tim Seward get his business ideas?

2. What did he learn with his first sale?

3. How did he finance his first Tidy Car location?

4. Much of Tim's sales skill was self-taught. What are some of the sources of learning about selling, besides his distributive education training?

5. What are some of the other reasons for Tim's business success, besides his salesmanship?

Timothy Seward

Answers:

1. Tim got both his idea to sell advertising specialities and the Tidy Car franchise from advertisements for sales opportunities.

2. As a teenager, Tim's first advertising specialty proved to him that he could earn more money selling than frying fish.

3. He was able to finance his first Tidy Car location by putting up the Corvette he won for having the greatest increase in business for collateral on a $10,000 loan.

4. Tim's sales skills came from experience, family influence, reading books on sales, and selling, in addition to his extensive experiences in sales training in distributive education.

5. He believes the customer to be the most important where company integrity and trust are essential.

Name: John Watson

Business Name: M & J Automotive Service, Inc.

Business Address: 2329 Cherry Street
Columbus, IN 47201

Business Phone: (812) 372-3191

Type of Business: General automotive and light truck repair

John Watson turned bad luck into good fortune. As a graduate of Lincoln Technical Institute, Indianapolis, Indiana, in automotive and diesel truck technology, John went to work for a mechanic in Columbus, Indiana.

It didn't take him long to see that his employer was engaging in many shoddy business practices: over-charging, putting on unnecessary parts, refusing to correct unsatisfactory work. "I got to the point where I couldn't face friends and customers who went to me for a fair, honest repair job," says John.

While some people would regret their bad luck in having gone to work for such an employer, John used it as a springboard to start his own business. "Not having any say in how his business was run," John says, "the only thing I could do was to set up my own, and hope people would agree with the way I like things to be done."

People did agree with John. Even though his automotive service is in a town with many similar businesses, John's shop is "currently booked ahead almost two weeks, with new faces coming in the shop every day on recommendations from their friends." He has found it unnecessary to do any other form of advertising.

John was 23 when he started M & J Automotive Service. He used his personal savings, a loan from his grandparents, and acquired a temporary partner/investor to establish the business.

His father, an accountant for the State of Indiana, set up his books and stressed the importance of accurate bookkeeping. John and his partner "hired the best lawyer we could afford to set up the corporation and see that it was beyond reproach legally." A friend in real estate helped find a site, and other friends pitched in to modify the building and set up the shop.

After a couple of years, the partner dropped out to find a less stressful occupation.

Stress is a problem in his life, John admits. A family man, he finds it hard to "juggle time to keep business going smoothly and still spend time with my family." Another problem is finding suitable employees to do the quality work he insists on. He started with just a partner, and now has five employees working for him. Keeping prices competitive with the fluctuating local economy and still making a profit is difficult, John says.

Always mechanically inclined and a straight "A" vocational student, he feels that his training at Lincoln Technical Institute "gave me the basic fundamental skills in the area of auto repair which were unfamiliar to me and that I might not have otherwise ever had a chance to learn."

Columbus had no shortage of auto repair shops; however, there was a lack of quality. So John's management style includes careful, personal supervision of all of the work performed. He "watches out for the small details that tend to be overlooked in larger shops." He's less concerned with completing a repair job at the "flat rate" speed than with the quality of the work and the satisfaction of the customer.

John enjoys a challenge. He'll "take on a problem car that has been everywhere else, to keep my skills sharp." By teaching at a local vocational school, he keeps his technical knowledge up to date. John holds Certified Master Automotive and Truck Technician credentials from the national organization in his craft.

His financing practices and business goals, like his management style, are conservative. Last year's sales were $225,000. John plowed 80 percent of his profit back into the business. His short-term goals are to modernize the shop, put in some new lifts and doors, and to pay off his business debt in five years.

His long-term goals are "just a steady, secure income for the duration of my working years," putting money aside for retirement, and turning the business over, debt-free, to his children if any of them are interested in carrying it on.

Section 2

CASE STUDY QUESTIONS

John Watson

M & J Automotive Service

1. How did John Watson's early employment influence him to start his own business?

2. How does he meet competition from similar businesses in his town?

3. What sources of start-up financing did he use?

4. What are some of the problems in John's line of business?

5. The story describes John's business style as "conservative." Explain what that means.

John Watson

Answers:

1. His employer provided shoddy service and John had no say in how things were done. So, he decided to start his own business where the customer could receive a fair, honest repair job.

2. John is booked two weeks in advance and has no need to advertise because his good work brings in new customers who have heard that he does a good job.

3. He used his personal savings, a loan from his grandparents, and a temporary partner/investor.

4. Stress and having enough time to spend with his family. He also has trouble finding quality employees and keeping his prices in line with the "fluctuating local economy."

5. John returns 80 percent of his profit back into the business so that he can modernize, install new lifts and doors, and have his business be debt-free in five years. He wants to be able to pass on a sound business to his children.

Young Entrepreneur Case Studies

Section 3

WHAT TYPE OF BUSINESS COULD I START?

o	Anthony D. Andrews	Washington, DC	Eye-Tech Industries
o	Raul Avila	California	Avila and Companies
o	Jeffrey Paul Boaz	Iowa	Boaz Refrigeration & Appliance
o	Johanna Michelle Carlson	Wisconsin	J&R Cafe and Bakery
o	Kelly M. Hedger	Ohio	Hedger Diving Enterprises
o	Mark Kline	Colorado	Center Hub Corp., Et. Al.
o	Michael H. Leafer	Massachusetts	MHL Protection Systems, Inc.
o	Denise A. Maccianti	California	The Rocking Chair Emporium
o	Anna T. McLaughlin	Rhode Island	Professional Plant Care Service
o	Michael J. Olen	Massachusetts	O'Lyn Roofing Contractors, Inc.
o	Gordon R. Sconberg	Minnesota	Midwest Technical Service
o	Jeffrey T. Stone	Minnesota	Heritage Restorations
o	Mark Suttle	Minnesota	Suttle's Self Serve Car Wash
o	Haruko Westcott	Texas	HARU Oriental Creations

Name: Anthony D. Andrews

Business Name: Eye-Tech Industries

Business Address: 1025 Thomas Jefferson Street, NW,
Suite 400 E
Washington, DC 20007

Business Phone: (202) 499-5000

Type of Business: Non-glare eyewear

Most of the things Anthony Andrews has done in his 26 years have contributed in some way to the starting and operating of his business, which began as a protective eyewear company and has branched into mobile telephone sales.

Anthony first envisioned going into business for himself when he was 11 years old. He organized a football league around an electric football game, served as commissioner and collected money from the participants.

The son of a career Marine, Anthony lived in many parts of the country. He attended Frank W. Ballou High School in Washington, DC, compiling an outstanding record in distributive education. He won state and national awards in salesmanship, held offices in DECA (Distributive Education Clubs of America), and was active in sports and student government.

A stint as broadcaster on a radio station in Clovis, Texas, gave him experience in advertising and announcing. He learned accounting as an employee of a bank and a credit union in Washington, DC.

As a car salesman and finance manager, he received further intensive training in salesmanship. "I look at sales like a tennis match," Tony says. "You serve the ball to the customer, you give him your sales pitch. The customer hits the ball back and gives you an objection. You have to answer that objection, and you hit the ball back and you keep going back and forth until you finally win."

The idea for the eyewear business came when a friend pointed out that Chrysler New Yorkers were manufactured with a case for sunglasses in the overhead console, but without any sunglasses in it.

Anthony and his associate learned from research by the Department of Transportation that 78 percent of traffic deaths are caused by glare from sun, rain, snow, or headlights. Putting this statistic together with the high traffic accident rate in the Washington, DC area gave them the confidence to seek financing and go into business.

They now have prototypes of the lenses and factories lined up to produce them, and are involved in presenting their idea to automotive companies. In the meantime, they are exploring other facets of high technology for new avenues of business.

One venture is mobile telephones. Acting on their knowledge that sales of car telephones have been strong on the West Coast for the last decade, but the market has been virtually untapped in the East, Eye Tech has acquired a Cellular One franchise and a sales force of 10 people.

The company has 35 employees in all, including a research department. Anthony serves as chief operating officer. Sales last year were over $120,000, and 60 percent of profits were put back into the business.

Anthony's business is set up as a corporation, with a board of directors and stockholders. He believes that anyone contemplating starting a business should have the advice of a lawyer, "in case you step on someone's foot."

Trust is important, too. "When you start a business, you have to go with a nucleus of people that you can trust and believe in, and then build from that nucleus," he says.

"I like to stay busy," Anthony says. "I believe that the future belongs to those who prepare for it."

His business future will someday, he hopes, include being ranked among the top 10 in Black Enterprise magazine. Eye-Tech Industries' assets now rank it as a million-dollar company, "but I would love to see it go into the billions in the next few years," Anthony says, "and continue to grow and expand."

He believes that Eye-Tech's organizational framework will help it grow. "It's a multi-faceted company, not limited to just one or two things. You have a lot of companies in the United States and in the world that are only concentrating on one area, but we like to keep our eye on technology. Whatever action we can implement to make these things become a reality, we'll do it."

Section 3

CASE STUDY QUESTIONS

Anthony D. Andrews

Eye-Tech Industries

1. Where did Anthony Andrews get the idea for Eye-Tech Industries? How did research help his business plan?

2. How does the name Eye-Tech describe the variety of things Anthony does and wants to do in business?

3. What gave Anthony and his associates the idea for their mobile telephone business?

4. Describe the businesses that Anthony had worked for prior to starting his own business. How did each contribute to his present success?

5. What personal characteristics make Anthony a good businessman?

Anthony Andrews

Answers:

1. A friend noticed that Chrysler New Yorkers were manufactured with a case for sunglasses but the sunglasses did not come with the purchase of the car. Research turned up some interesting statistics that suggested it was safer for people to drive with sunglasses.

2. Anthony wants his business to grow by keeping an "eye on technology."

3. The mobile telephones idea is a result of research that indicates that this item is a good sales item but very few people are marketing it in the East.

4. Anthony has gained advertising and announcing experience from his job as a broadcaster at a radio station. He received sales training as a car salesman and finance manager.

5. Anthony believes that it is important to develop a sense of trust with the people you will be doing business with.

Name: Raul Avila

Business Name: AVILA and CO

Business Address: 1255 Corporate Center Drive,
Suite 202
Monterey Park, CA 91754

Business Phone: (213) 262-1201

Raul Avila credits his family with much of the success of his seven-year-old real estate investment business. His father had started his own electrical contracting business years earlier when he moved to Los Angeles from El Paso and found that no one would give him a job. A successful businessman, he provided financial support for Raul's venture, as well as an example of successful entrepreneurship.

Raul actually got the idea for starting his company when he worked in his oldest brother's real estate management company. Raul's sister worked for him as secretary and bookkeeper and is presently employed as his property supervisor.

But there were other circumstances besides family that led Raul to start his own business. A highly motivated student, he attended Catholic parochial schools, where he learned excellent communication skills as well as self discipline. Playing in the school band taught him coordinati[illegible]mwork. He studied business administration and buildi[illegible]logy at Don Bosco Technical Institute, Rosemead, Cal[illegible] where he excelled at architectural design.

Community service is an important p[illegible] of Raul's pe[illegible]l make-up and of his life. He observed very early that no business succeeds unless it provides a service to the community. He also saw that his community needed opportunities to expand, and that locally there were many property owners who were tired of managing their rental property but who wanted to continue to own real estate. He saw the profitability of buying and selling income-distressed property.

These observations, together with Raul's education, self discipline, motivation, and community spirit, helped determine the type of business he would choose. The risks were "frightening," Raul says. Real estate development requires significant amounts of start-up capital for publicity, marketing, and promotion to investors. A $15,000 loan from Bank of America helped him begin.

Annual sales are now in the $600,000 range, and Raul projects that they may reach $3 million in two years. He puts almost all profits back into the AVILA and CO and is in the process of incorporating the business, which was formerly a partnership.

Because of his training in both business administration and building technology, Raul is able to provide all services for every property he purchases: negotiating, insurance, financing, construction, management, and sales.

Real estate development provides a base for the community service that is important to Raul. Although he was only 20 years old when he started in business--("It was difficult many times for bankers and brokers to take me seriously," he says.) -- Raul was elected president of the local Rotary Club at age 24. He serves as a city commissioner for Monterey Park, a field representative for a U.S. Congressman, a police reserve officer, and is on the boards of several community organizations.

He views his business as a means to serve a wide spectrum of people, from first-time home buyers to seasoned investors. He believes that in every business setback is the seed of a new opportunity. He is excited by the limitless opportunities in his chosen field. "I am my only limitation," Raul says.

Section 3

CASE STUDY QUESTIONS

Raul Avila

Real estate investment

1. What kind of personal characteristics does Raul believe have helped to contribute to his business success?

2. How did Raul's father and brother help him in making a decision to start a small business?

3. What did Raul know about the needs of the community that made his business different from his competitors?

4. What kinds of education experiences contributed to Raul's ability to go into business for himself?

5. How has Raul's community interests influenced both his goals he has set for his company and how he spends his spare time?

Raul Avila

Answers:

1. Raul believes that community service is an important part of business success.

2. Raul's father and brother both started their own businesses. His father was a good example of a successful entrepreneur while the experience he found working in his brother's company provided him with an interest in real estate.

3. He saw that locally there were many property owners who wanted someone else to manage their property for them. He also saw that buying and selling income-distressed property was not only profitable for him but it would also give his community an opportunity to expand.

4. A combination of several educational experiences helped Raul to go into business for himself including, communication skills, business administration and bulding technology.

5. Raul's interest in real estate development provides a base for the many community organizations he serves in his spare time.

Name: Jeffrey Paul Boaz

Business Name: Boaz Refrigeration & Appliance

Business Address: 502 Washington
Iowa Falls, IA 50126

Business Phone: (515) 648-3189

Type of Business: Major appliance sales and service

Jeffrey Boaz had always been mechanically inclined. His in-laws would save broken appliances for him to fix when he visited them in Iowa Falls, Iowa. He was always asked to make a few service calls to friends and neighbors, too. Obviously, he was filling a need that was not met in this town. Perhaps, he thought, the need was great enough to be a business opportunity for him.

Jeff started his refrigeration and appliance service business five days after moving to Iowa Falls, but not before he had done some careful study to see whether his new community needed his type of service. Through the local Chamber of Commerce, he surveyed Iowa Falls business people, restaurants, school personnel, and bankers. His survey revealed a 20- to 25- mile area without an adequate source of commercial refrigeration, air conditioning and heating service. He also found that, because they did not have adequate appliance repair service, people in this area lacked confidence in the service business. His findings suggested that Jeff could put his aptitudes and education to good use in his own business.

Jeff was 27 when he started his business. He had served in the military, where he developed diagnostic technique working as a physician's assistant. A two-year course in heating, air conditioning and refrigeration at Redwing Area Vo-Tech Institute brought Jeff up to date on current service methods and gave him the technical foundation for his business. High school bookkeeping courses prepared him for business record-keeping. Working as a hospital orderly during high school gave him communication skills. In the army, he also gained self confidence and organizational ability. He feels that all these attributes have helped him succeed in business.

Jeff's wife has been a partner in his business decisions. Together, the Boazes were as methodical about starting their business as they had been in surveying the need for it. They found help from the Small Business Administration (SBA). They found a local accountant who helped them set up an efficient accounting system. Their start-up financing was a small bank loan that was paid off within the first year.

To a community that was starved for a good appliance repair service, Jeff emphasized fast, reliable, professional service. He offers same-day or next-day repair, is available 'round the clock for emergencies, and keeps a full stock of repair parts on hand, so that most jobs don't need to wait for parts to arrive. He keeps flexible working hours for the convenience of households where no one is at home all day.

At first, Jeff's shop was his front porch. As business grew, he moved to a downtown location, hired a technician, an office helper, and then another technician to help service an area that had expanded from 10 to 30 miles. Hurdles were numerous. While vocational school had given Jeff a solid technical foundation, business skills were not taught. He had to learn from experience about pricing, inventory control, taxes and insurance, management of employees, and many other aspects of running a business.

Jeff characterizes himself as a serious, dedicated, conscientious student, and he thinks these qualities are what helped him succeed as a businessman. "I am totally devoted to my trade," he says. "I believe in three objectives: honest service, rapid service, and constantly improving my knowledge of my trade." He looks for these qualities in his employees and admits that finding good technicians is one of the biggest problems he faces.

His business is organized as a sole proprietorship. Annual sales are in the $200,000 range, and Jeff puts about half his profit back into the business.

Jeff's attitude toward failure is to use it as a learning opportunity. "We analyze each failure to be sure not to repeat it," he says. He likes being his own boss because it gives him the ability to direct and meet changes, as well as financial flexibility.

Section 3

CASE STUDY QUESTIONS

Jeffrey Paul Boaz

Appliance repair

1. What kinds of needs did Jeff take into consideration before he decided to start his refrigeration business?

2. What types of resources and experiences have contributed to the start-up of the business?

3. What does Jeff find particularly rewarding about his business?

4. What kind of attitude does Jeff have about being in business for himself and the failures that may result?

5. How have Jeff's personal values contributed to his successful business?

Jeffrey Paul Boaz

Answers:

1. Jeff surveyed Iowa Falls business people through the local Chamber of Commerce to determine what their refrigeration, air conditioning, and heating needs were.

2. Both Jeff's vocational and military experiences helped him start his business, providing him with technical skills, communication skills, and self-confidence. The Small Business Administration and a local accountant helped provide additional support.

3. He likes being his own boss because it allows him to direct and meet changes and it gives him financial flexibility.

4. Jeff uses failure as a learning opportunity that should not be repeated again.

5. His dedication to the appliance service business is reflected in flexible working hours for the customer's convenience and his around the clock emergency service. Jeff believes in fast, reliable, professional service.

Name: Johanna Michelle Carlson

Business Name: J & R Cafe and Bakery

Business Address: Route 1, Box 222
Superior, WI 54880

Business Phone: (715) 399-8730 or (715) 399-8837

Type of Business: Cafe, bakery, catering

Johanna Carlson started her own business because there were no full-time jobs available in the rural area outside Superior, Wisconsin, where she lived.

Johanna started baking and decorating cakes at the age of 15 to earn money. Her high school program at the Duluth Area Vocational Technical Institute was home economics. There she learned not only baking skills, but also how to work well with other people.

After high school, Johanna worked for a couple of bakeries before she decided to go out on her own. She saw the need for a bakery in her community. Says Johanna, "People who lived outside Superior had to drive to town for fresh bakery products."

Johanna was independent, had more than her share of common sense, and was determined to succeed. She leveled her savings, cashed in IRAs and CDs, obtained a bank loan, and opened her business at age 22.

She had a lot of help from her family. Proceeds from the sale of their home helped finance the business. Seven members now work for her, including her husband, who also handles the household responsibilities when she can't be at home. In addition, Johanna was helped and supported by the instructor from her vocational school and the president of her bank.

J & R's Cafe seats 50 people, serving hamburgers, sandwiches, and fried foods. The bakery delivers to grocery stores, restaurants, resorts, and gasoline stations. Catering can be handled at the cafe or away. Johanna says, "They can select the food or we will plan the menu ourselves." She feels that what separates her from others in her field is the pride she takes in her business--"It's my business signature," she states.

Running her own business has not been without problems for Johanna. Customers and employees alike felt free to criticize her, and many in the community devalued her business at first "because it was out in the country and they thought it would go nowhere." She has learned to deal with expense control, reduced payroll, menu changes, opening and closing schedules, waste control, overstocking, soaring insurance rates, and especially with employees: "family employees, bad employees, lazy employees, employees who want to know what I will do for them, but not what they can do for me."

Johanna is successful because she believes in confronting her problems head-on. When something fails she takes time to discover why, find the alternative solutions, and try again. Says Johanna, "I take failure, learn from it, put it in its proper perspective, and do it right the next time. I look at failure as one more challenge in life."

J & R Cafe and Bakery is a sole proprietorship. The 1985 sales were $150,000, and all profits were put back into the business.

Johanna says the everyday experiences in her high school program gave her the know-how, and, "Once I had that, no one could take it away." She describes herself as a hardworking, polite student who was curious about everything. In high school she says she did her own thing. "I didn't try to be a leader, and I know I wasn't a follower. I just wanted to be independent."

Section 3

CASE STUDY QUESTIONS

Johanna Michelle Carlson

J & R Cafe and Bakery

1. What factors helped Johanna determine the type of business she would go into?

2. Johanna's business satisfies several needs and desires. What are they?

3. What aspects of Johanna's character and personality help her in running her own business?

4. What are some of the employee problems Johanna has had to deal with?

5. How does she view failure?

Johanna Michelle Carlson

Answers:

1. Johanna decided to go into business because she really enjoyed baking and working with people. The lack of available full-time employment in her area was also a big determining factor.

2. Having a bakery in her community solved the problem of townspeople having to drive a distance to get fresh bakery products.

3. Johanna takes pride in her business and strives to make it successful by being independent, using common sense, and by preparing menus that people want.

4. She has had to deal with many small business start-up problems but especially employee related problems such as "family employees, bad employees, lazy employees, employees who want to know what I will do for them, but not what they can do for me."

5. Johanna sees failure as just one more challenge in life that she can learn and live by.

Name: Kelly M. Hedger

Business Name: Hedger Diving Enterprises

Business Address: 5456 Colerain Avenue
Cincinnati, OH 45223

Business Phone: (513) 541-7367

Type of Business: Scuba instruction, underwater salvage, major repair work, retail sales, rental

At the age of 16, Kelly Hedger knew he wanted his own business in the field of scuba diving. While working part-time during high school, he had learned not only the skills involved in professional diving, but also sound management practices. His interest in researching shipwrecks and river history helped shape his goal.

Kelly had been bored with traditional high school. At Oak Hills and Diamond Oaks, his interest in learning blossomed because he received "hands-on training instead of having my nose in a book," Kelly states. Oak Hills provided him with the part-time diving job, and machine shop at Diamond Oaks improved his mechanical abilities. He adapted many of those mechanical skills to his scuba diving business. In addition, Kelly feels that his "instructors at Diamond Oaks were an important influence. They showed me how to work well with other people."

Kelly researched the Cincinnati area and found a need for a more professional diving firm with greater expertise and a thorough knowledge of local waters. He started his salvage business at the age of 19 and opened his first retail store when he was 21, with the help of his father and several friends.

The majority of Kelly's financial support came from his father, Edward Hedger, who now is an employee of Hedger Diving. Says Kelly, "My father was a driving force, backing me financially and donating many long hours of work."

Kelly's youth appeared at first to be a handicap to achieving credibility with bankers, suppliers, and potential clients. He met this challenge head on, by using mass advertising to reach new clients, other professional divers, and the nonprofessional diving sector. Now Kelly sees his youth as a business advantage. Although his staff is relatively young, Kelly is convinced they represent the most talented people in the industry. "I believe our youth allows us to be more aggressive in the field," he says.

Kelly's business is a sole proprietorship. He likes being his own boss and being in control of the day-to-day decisions. "I have worked with partners in the past," he says, "but find they do not allow me the 100 percent control of the business that I prefer." He started with two part-time employees; now he employs eight part-time employees and one full-time worker. His sales for 1985 totaled $100,000, and he put 85 percent of the profit back into the business.

Working seven days a week leaves Kelly little leisure. The little spare time he does have Kelly likes to spend at home with his wife, Cindy. He has been forced to give up most of his social activities and to become more responsible. However, he enjoys the rewards of owning a thriving business. He believes the sacrifice is worth the satisfaction of "being in control of day-to-day activities and watching the business succeed."

From the outset, Kelly based his business on two values he considers paramount: treating his customers fairly and with respect, and making a contribution to the diving industry. He has steadfastly maintained those values, and his Hedger Diving Enterprises is making a splash in the diving industry. It has been the subject of feature articles in one trade magazine and two newspapers.

As for his goal of rapid financial growth, Kelly expects to achieve that by expanding his salvage business and opening more retail stores.

Section 3

CASE STUDY QUESTIONS

Kelly M. Hedger

Salvage diving and retail sales

1. How did Kelly's personal interest and hobbies turn into an exciting diving business?

2. What kinds of educational and personal experiences have provided Kelly with the job skills he needed to develop his business?

3. How did Kelly's knowledge of the competition help influence his decision to start a business of his own?

4. How has Kelly's age and the age of his staff proved to be both a help and a hindrance?

5. What influence did the high school work program have on the type of business Kelly set up?

Kelly M. Hedger

Answers:

1. Kelly's interests turned into a business because the Cincinnati area needed a professional diving firm that had a solid knowledge of local waters.

2. His job skills were initially developed through a part-time diving job and machine shop training at Diamond Oaks. His instructors at Diamond Oaks also helped him learn how to work with people.

3. When he researched the Cincinnati area, he found that there was not any strong competition.

4. At first it seemed to be a hindrance since it was difficult to establish credibility with bankers, suppliers, and potential clients. Now, he believes that the relative youth of his staff allows them to be more aggressive competitors.

5. His high school work program provided skills training that sparked his interest in the diving and salvage business.

Name: Mark Kline

Business Name: Center Hub Corp., Et. Al.

Business Address: 3701 South Santa Fe Drive
Englewood, CO 80110

Business Phone: (303) 761-8758

Type of Business: Multi-faceted automotive services

Mark Kline ran contrary to accepted business traditions when he founded his business on negatives. He knew that automotive businesses were more tolerated than welcomed by the communities they served. They lacked professionalism, cleanliness, concern for customers, modernization, and sound business practices.

Mark learned his skills at Bemidji Area Vocational School in Minnesota, where he studied auto mechanics. With his acquired automotive service experience and a small savings account, he opened his own business based on his customers' wants and needs. Says Mark, "We sell psychology first and repairs second. Our customer approach is highly personal and highly professional."

Mark identified his potential customers through a great deal of research, using a computer to obtain a listing of those who fit his customer profile.

Mark's businesses surpass those of other because they are professional, are visually attractive in their respective communities, treat the customer with much respect, and perform high quality work. He is adamant about treating his employees well. Mark was inspired by a co-worker who sadly recalled "the brief recognition he received for his many years of loyality" to another company.

With Mark, his customers and his employees come first, followed closely by excellent service. Says Mark, "Resolving someone's problems always brings profit if it is carefully planned." His biggest rewards in owning his own business are in finally being able to please customers, having happyoyees, and being able to realize his own potential.

Mark's various businesses operate as corporations, partnerships, and sole proprietorships, as individual situations dictate. He started with one employee and now has 30. Annual sales for 1985 amounted to $500,000, with all profits put back into the business.

For the future, Mark wants to go nationwide. He sees a need for modernization, high-tech facilities, and customer good will.

Mark foresees a complete overhauling of the industry. He states, "I plan on changing the entire automotive field into a professional, respected industry."

His various businesses include automotive repair, parts sales, automotive real estate complex development, and auto leasing. Mark owes his success to his determination, hard work, careful planning, a sense of humor to get him through trying times, and his insistence on high quality service and parts. He says, "I won't tolerate poor ethics or work."

As a youth he was "always different," and felt like an outsider. Mark admits to being bored and unchallenged as he went through school. He says he is successful now because he studies, plans, talks, reads, and listens-listens-listens.

Section 3

CASE STUDY QUESTIONS

Mark Kline

Center Hub Corporation

1. What did Mark dislike about the automotive service business that made him resolve to run his own business differently?

2. What are the main differences between Mark's business and the average auto repair service?

3. What are Mark's long-range plans for his business? What does he see as his potential market?

4. Rank the following in order of what you think are Mark's business priorities: employees, customers, cars, profits.

5. If profit, to Mark, is not the most important result of being in business, what is? (May be more than one thing.)

Mark Kline

Answers:

1. Mark noted that the automotive businesses in his area seemed to be tolerated rather than welcomed by the community. He felt that they lacked professionalism, cleanliness, concern for customers, modern facilities, and did not employ sound business practices.

2. Mark's business is based on a personal approach, catering to potential customers that fit a certain profile. His facilities are also visually attractive and modern.

3. In the future, he wants to go nationwide. He wants to provide auto repairs and parts, auto leasing, and automotive real estate complex development.

4. Customers, employees, cars, profits.

5. Pleasing customers, having happy employees, and being able to realize his own potential.

Name: Michael H. Leafer

Business Name: MHL Protection Systems, Inc.

Business Address: 2 Bridal Path
Canton, MA 02021

Business Phone: (617) 961-2626

Type of Business: Security company

Michael Leafer describes himself as a born entrepreneur. He always had been independent and hard working; he had self-confidence and drive; and he was talented in selling, engineering, mechanics, electronics, and planning. Says Michael, "I love the excitement and adventure of business and being master of my own destiny."

Michael attended Blue Hills Regional Vocational Technical School in Canton, Massachusetts, in the electronics program. Says Michael, "I cannot overstate its importance in my professional life. My electronics training at Blue Hills Regional was the most significant educational experience of my life."

Following graduation, he worked for a large security company. He enjoyed the business itself and was intrigued by its future, but felt his creativity and enthusiasm were being wasted. "I needed to see my efforts produce an immediate impact," he states. He worked there long enough to learn the business, then, at age 22, he started his own.

Michael was aware of the risk involved, but felt that hard work and careful planning would overcome any problems. "I have always welcomed a challenge." He feels that "if you learn from mistakes--and mistakes are inevitable--then you haven't failed."

He knew the need for security was there. "Watching the local news every night gave me all the incentive I needed to get into the field." With no financial help, Michael started working alone out of the trunk of his car installing alarms in automobiles. MHL now has 12 full-time employees for his retail/wholesale company, and several locations in the Boston area.

Michael knew that, as a small business just starting up, he would be competing with established, thriving companies and had to provide something unique. Says Michael, "After careful research, I decided to import a particular alarm system from overseas that I knew no other company carried." The results have been overwhelming.

Last year MHL grossed over $500,000 in sales, with 100 percent reinvested in the business. In order to protect his personal assets, Michael operates his business as a corporation.

He gives much credit for his success to his vocational training. "More than anything, vocational training gave me confidence. For the first time I could see, and heard from others, how skilled I was with my hands."

Michael receives great personal satisfaction from watching his business grow and prosper. "I am constantly exploring new marketing programs to increase business. My goal is to *feel* successful, not just *be* successful." Although he can't remember what spare time used to be, he enjoys his increased financial security. And, for Michael, his business provides another reward he cherishes: "I don't have to take orders from anyone."

Section 3

CASE STUDY QUESTIONS

Michael H. Leafer

MHL Protection Systems, Inc.

1. What type of business organization has Michael Leafer chosen, and why?

2. Describe the "entrepreneurial spirit" as exemplified in Michael Leafer. How did this lead to his going into business for himself?

3. How is MHL Protection Systems unique?

4. What does Michael think about failure?

5. How did Michael choose the security business? How did he prepare for it?

Michael H. Leafer

Answers:

1. He has chosen to operate his business as a corporation in order to protect his personal assets.

2. Michael sees himself as a "born entrepreneur." He is independent, hard working, self-confident and talented in selling, engineering, mechanics, electronics, and planning. He loves the excitement and adventure of business and "being master of my own destiny."

3. MHL Protection Systems are imported from overseas and are carried by no other company according to Michael.

4. Michael believes that mistakes and failures are inevitable, but, if you learn from them, "then you haven't failed."

5. Because of competition with established companies, Michael knew that he would need to provide a unique product/service and after careful research decided to import a security system which would provide a needed help to the community.

Name:	Denise A. Maccianti
Business Name:	The Rocking Chair Emporium
Business Address:	123 North Glassell Orange, CA 92666
Business Phone:	(714) 633-5206
Type of Business:	Turn-of-the-century soda fountain and gift shop

Denise Maccianti always knew she would have her own business one day. Her mother started a business 22 years ago, and Denise watched it grow, aware of the hard work and personal sacrifice required.

Denise's first work experience was selling for a dress shop through her regional occupational program at Orange High School, Orange, California. Says Denise, "I liked it because that was real life. I was on my own and responsible for my own actions."

After high school, Denise attended the Fashion Institute of Design and Merchandising in Los Angeles, where she majored in merchandising. She learned valuable business basics there: Selling, accounting, inventory control, computer usage, cash flow systems, and how to work with different kinds of people. Especially important, she was taught where to obtain financing for starting a business.

Denise states, "Even though I studied fashion merchandising in college, the basic steps for merchandising a product are the same. Whether it's clothing or ice cream, the objective is to sell it."

When Denise was 20, she started planning for her business. She loves ice cream and saw a need in Orange for an ice cream/gift shop. She conducted her own research by sitting outside the site she had chosen, taking notes on who was walking by and whom she wished to attract with her merchandise. She also read various demographic studies and took them into consideration.

With the help of an investment company and loans from her mother and a bank, Denise opened The Rocking Chair Emporium on her 21st birthday. She had the qualities necessary for starting a business--she was independent, creative, outgoing, goal-oriented, and determined. Says Denise, "I can always smile when things are going wrong." All those qualities were brought into play when Denise developed the theme for her shop.

Because the store is located in a community that focuses on "years gone by," Denise patterned her shop after the Victorian Era. The soda fountain (circa 1900) is wood and marble, with a row of turn-of-the-century fountain stools, and is served by the fondly remembered "soda jerks."

Even Denise's employees are unusual. They dress in 19th century costumes, and "all are aspiring actors, singers, dancers, or performers of some sort . . . . While serving ice cream, they think nothing of joining together in song or dance for the customers. And the customers love it.!" The gift shop carries greeting cards, unusual gift items, candy, antiques, "and, of course, rocking chairs." Denise feels that her shop brings back memories for the older generation and lets younger generations experience the atmosphere and style of bygone days.

The Rocking Chair Emporium is a corporation with 10 employees. While it was open for only 4 1/2 months in 1985, it recorded $45,000 in sales, with 25 percent of profits put back into the business.

Denise plans to open a full-service delicatessen this year and will add a balloon delivery service in 1987. Her financial goals are to increase her profit margin and earn back her investment in five to seven years.

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CASE STUDY QUESTIONS

Denise A. Maccianti

The Rocking Chair Emporium

1. Denise Maccianti's line of merchandise is unusual, to say the least. Why does it "fit" in her community?

2. How did Denise go about surveying the market for her unusual business?

3. Describe the atmosphere of The Rocking Chair Emporium. What special effects create this atmosphere?

4. In what ways does Denise plan to expand her business?

5. How did family background, work experience, education, and personal qualities each contribute to Denise's success?

Denise A. Maccianti

Answers:

1. Denise's ice cream shop is located in a community that focuses on "years gone by." Thus, her Victorian era store, complete with "soda jerks," compliments her community.

2. She conducted her own market research by sitting outside the site she had chosen, taking notes on who walked by and whom she wished to attract with her merchandise. Denise also read various demographic studies and took them into consideration.

3. The atmosphere of the "Rocking Chair Emporium" is one of by gone days. Some of the special effects include, turn-of-the-century fountain stools, employees in 19th century costumes, unusual gift items, and, of course, rocking chairs.

4. Denise will expand her business this year by opening a full-service delicatessen and balloon delivery service in 1987.

5. Her success can be attributed to watching and learning from her mother's business. As a result she used her first work experience, selling, to guide her coursework. She learned that the basic steps for merchandising a product were the same, whether it was ice cream or clothing. Denise had several qualities necessary for starting a business including independence, creativity, goal orientation, and determination.

Name: Anna T. McLaughlin

Business Name: Professional Plant Care Service

Business Address: 1346 Old River Road
Manville, RI 02838

Business Phone: (401) 765-3606 or (401) 333-8748

Type of Business: Interior landscaping

Anna McLaughlin says, "There would be no business without my vocational education. It gave me the knowledge of horticulture and showed me how to work with my hands--to get dirty."

While in high school at Davies Vocational Technical School, Lincoln, Rhode Island, Anna majored in horticulture. Her training included plant identification, plant requirements, ornamental horticulture, plant and soil sciences, pest control, and greenhouse management. She developed self-confidence and assertiveness as her knowledge grew, and, through her involvement with Future Farmers of America (FFA), she learned leadership.

Anna combined her horticultural skills with an artistic nature in selecting the type of business to open. Says Anna, "I saw many people in offices, banks, and restaurants creating their own indoor gardens, often losing their costly purchases." She noted a need for professional care of indoor plants while working for a wholesale florist, where customers often asked her questions about plant selection and care.

At age 24, Anna started her own business. She states, "I couldn't find the kind of job I wanted. I knew interior landscaping was challenging, and I believed I could to the job." She targeted her potential customers as new businesses, existing businesses with neglected plants, and new public buildings, many of which "are built with the addition of indoor plants in mind." Anna began her business at night while working for someone else. She used money from her job to purchase the van needed for transporting plants.

It wasn't easy for Anna to establish a reputation in the field, but she persevered. She says, "I believe in doing the best I can and having a positive attitude. I have faith in myself."

Professional Plant Care Service is a full-service interior landscaping firm. Anna designs interior landscapes and selects the plants based on light, temperature, water requirements, durability and visual effect. She then services the plants weekly, guaranteeing their health and appearance.

Anna feels that being a small business gives her an edge on competition. "I can oversee all major work and devote more time and care to each job." Anna proudly states that all of her employees are students from her high school. She trains them for a career and hopes they, in turn, will do the same for someone else one day.

Professional Plant Care Service is a sole proprietorship employing five people. Sales for 1985 approached $21,000, with 60 percent of profits reinvested in the business.

In the future, Anna hopes to double her business while maintaining the personal service she provides. She says, "I want to hire enough people to oversee jobs that the business can run itself."

Anna enjoys the independence and sense of accomplishment that come with owning her own company. "I love it when someone says, 'That's beautiful!' and keeping it that way is my job--a challenge."

Section 3

CASE STUDY QUESTIONS

Anna T. McLaughlin

Professional Plant Care Service

1. Where did Anna McLaughlin get the idea for her business? How did she target potential customers?

2. What are the necessary skills in her business, and how did she acquire them?

3. Owning one's own business involves total responsibility. Anna's responsibility does not end with choosing and planting the plants. What else does it entail and how does she fulfill it?

4. To Anna, what are the advantages of being a small business?

5. What are Anna's business goals?

Anna T. McLaughlin

Answers:

1. Anna was able to select her business based upon the horticultural skills she obtained in school and an observation that people who liked to decorate their offices with plants did not always know how to care for them.

2. She was able to acquire the necessary plant-care skills such as ornamental horticulture, plant and soil science, pest control, and greenhouse management from her vocational school. She was also able to develop self-confidence, assertiveness, and leadership through her involvement with Future Farmers of America (FFA).

3. Anna's full-service interior landscaping firm entails designing, selecting, and servicing the plants weekly. She guarantees the plant health and appearance.

4. Anna believes she has an edge on her competition because she can personally oversee all the major work and devote a lot more time and care to each job.

5. Anna hopes to double her business and at the same time maintain the personal service she provides by hiring enough people so that the shop will run itself.

Name: Michael J. Olen

Business Name: O'Lyn Roofing Contractors, Inc.

Business Address: 30 Elm Street
Dedham, MA 02026

Business Phone: (617) 329-6099

Type of Business: Roofing contractor

Michael Olen started in business because he wanted to be his own boss. His father owns a newsstand and, while Michael saw the long hours and hard work involved, he realized his father "was his own man and not responsible to anyone but himself."

Michael received his occupational training in high school at Blue Hills Regional Technical School, Canton, Massachusetts, in the structural woodworking program. This training provided what he needed to start his own business. Says Michael, "My carpentry skills began my business and helped me expand into roofing. All the principles are similar. If I hadn't had these skills, I might never have been able to expand at all."

During high school, Michael worked for several carpentry and construction companies. Watching their operations made him believe he could do better. After graduation, Michael found the field of carpentry saturated, while there was great demand for specialized roofing. In his area there are many old homes with roofs of slate, copper, or Spanish tile. Michael talked with owners to determine their needs and concerns, then decided to specialize in Victorian homes. He started his business at age 18 with personal savings.

Michael's roofing business can be difficult because of the height of Victorian roofs and the material they are made of; also finding and keeping reliable employees can be a challenge. However, Michael insists on "maintaining the strict standards I have set for myself and my company." He pays a great deal of attention to the small details of a roof and takes special care of the homeowners' properties. He states, "We add the personal touches that most roofers ignore, such as protecting the sides of homes and the shrubs with tarpaulins."

O'Lyn Roofing Contractors started as a sole proprietorship, then incorporated in 1984 on the advice of attorneys and accountants. Michael had four employees at the beginning and now has 20.

In starting his business he says the hardest thing to overcome was his youth. "Since I started directly out of high school, I found it difficult to sell to customers and for them to believe a person my age could do the job." Now he has more self-confidence so this is no longer a problem.

Says Michael, "My business is one of my highest priorities." He puts in 14 to 16 hours a day, seven days a week, and works as hard to give his customers 100 percent satisfaction as he does selling the job. He says, "I do my customers' work the way I would want it done on my home."

Michael is continually looking ahead in business. He hopes to increase his profit each year by 10 to 20 percent. In the future, he plans to expand into replacement doors and windows, real estate, and perhaps a franchise. Says Michael, "The sky's the limit."

Section 3

CASE STUDY QUESTIONS

Michael J. Olen

O'Lyn Roofing Contractors, Inc.

1. How is Michael's business related to his vocational training?

2. Why didn't he start a carpentry or construction company?

3. What are the advantages of specializing, in a business like Michael's?

4. What observations led him to select his specialty?

5. What other practices make O'Lyn Roofing different from its competitors?

Michael J. Olen

Answers:

1. Michael received occupational training in his high school Structural Woodworking program. He later expanded into roofing.

2. There was little demand for carpentry companies and a great demand for specialized roofing.

3. One advantage of specializing in this business was that Michael could be his own boss and still use his carpentry skills by simply expanding them into roofing.

4. There were many homes in his area with slate roofs that needed specialized work done on them. Michael also talked with the owners before he decided to specialize in Victorian homes.

5. O'Lyn Roofing is able to pay a great deal of attention to the small details of a roof and at the same time take special care of the homeowners' properties.

Name:	Gordon T. Sconberg
Business Name:	Midwest Technical Service
Business Address:	107 NE 4th Avenue Austin, MN 55912
Business Phone:	(507) 437-4874
Type of Business:	Drafting and design, technical writing illustrating, printing

Gordon Sconberg was motivated to start his own business by instructors at Albert Lea Vocational Technical Institute, Albert Lea, Minnesota, where he majored in mechanical drafting. Says Gordon, "I often wanted to reach their level of ability, even to go beyond." He feels the school provided him with an excellent framework of education, not only in drafting, but also in the area of personal communication.

Gordon worked several years for other firms before he decided to start his own business as a freelance draftsman. He liked Austin as a location and noted that local businesses were forced to seek seasonal or overflow draftsmen in larger cities nearby and to pay metropolitan-scale rates for the work.

Using an area manufacturers' directory and his business contacts from prior jobs, Gordon began building his customer list. He says, "I was in the contract drafting field for many years, so I knew who my potential clients were." Gordon was able to expand as his business grew, adding more employees with the skills necessary for branching out into technical writing, illustration, graphics, art and camera work, computer operations, and finally printing. "Thus," he states, "we were able to follow projects through from documentation to final printing." He offers his customers local rates and more personal contact than would be provided by his out-of-town competition.

Gordon's greatest problems have been cash flow and equipment breakdown. He says, "Cash flow is the biggest one because there was very little cash invested upon starting the business, and equipment breakdown has resulted in down-time on several occasions. Keeping up the production level of drafting and printing is extremely important."

Midwest Technical Service is a sole proprietorship with three employees and the addition of three or four more expected soon.

Gordon enjoys being his own boss and making his own decisions. "I am forever seeking ways to expand current services and create new ones." Venturing into related areas is much more exciting to me than remaining active in the day-to-day work."

For the future, Gordon envisions 15 full-time employees and a bank of free lancers. He wants to keep his equipment up to date, be able to pay his employees better-than-average wages, and to raise his own income significantly.

Gordon credits his success to never being completely satisfied. "Success to me is achieving a goal. When I begin to feel I have achieved this goal, I already have revised it in order to attain a higher one."

Section 3

CASE STUDY QUESTIONS

Gordon T. Sconberg

Midwest Technical Service

1. How did Gordon Sconberg choose the location for his company?

2. He started out as a draftsman. What related services does he now offer?

3. What are some of the business problems he faces? Can you suggest ways he might prevent or solve these problems?

4. What are some of Gordon's business goals?

5. How does he set goals, and how does he feel they contribute to his success?

Gordon R. Sconberg

Answers:

1. Gordon chose a location where he knew the local businessmen sought the help of draftsmen in other cities to cover their needs.

2. He also offers technical writing, illustration, graphics, art and camera work, computer operations, and printing.

3. Gordon faces cash flow and equipment breakdown problems. He might want to consider taking out a loan to purchase up to date equipment.

4. His business goals include adding 15 full-time employees as well as keeping his equipment up to date and paying competitive salaries to both himself and his workers.

5. Once Gordon set a goal and achieved it, he raised it immediately to a higher goal to attain.

Name: Jeffrey T. Stone

Business Name: Heritage Restoration

Business Address: 32 East Fillmore
St. Paul, MN 55107

Business Phone: (612) 224-1618

Type of Business: Furniture refinishing, repair, and upholstery

Jeff Stone's business started as a summer job the year he turned 16 and wanted some extra spending money. His father offered him the chance to make some stacking tables, under contract, that the family would use as Christmas gifts.

Jeff spent much of that summer making tables. He also made some locker room benches for the racquetball club to which the family belonged. "After completing the benches, I noticed the club had some tables that needed refinishing," he said. "I had never had refinishing, and I had no idea how to start, but I offered to do it and they let me."

The table refinishing was successful enough to attract the attention of another club member who wanted a desk done. At that point Jeff chose refinishing as an area in his business efforts, because it was a custome service and required low overhead.

Before long, there was enough work that Jeff was able to share work with his friends. Rather than being employees, his friends as well as Jeff are part of an association of sole proprietors operating under one name with a franchise agreement. This enables each person who works for the firm to share in the profits according to the time he puts in. Says Jeff, "This system provides an incentive for each individual to work harder because it forces him to be results-oriented rather than wage-oriented."

When it came to education, according to Jeff, "I guess I did things backward. I started my business first and then went to college." Jeff is currently attending Inver Hills Community College, majoring in small business management, where he is learning the important principles of marketing technique, sales, law, and management. He states, "Many of my sales and administrative skills came from this program."

Heritage Restorations now has 12 members in its association. Sales for 1985 reached $39,000. Because the business is labor-intensive, only 14 percent of the profits had to be put back into the company.

Founding the business has given Jeff much satisfaction. "I can work as much or as little as I want," he says, "without having to ask my boss. When I work extra hard and get some big contracts I don't get just a pat on the back, I get to reap the results."

One of Jeff's goals is to make the list of the 500 fastest growing privately-held companies in the nation. His has grown 400 percent in one year, and he wants to continue at that rate for at least four more years.

He currently is handling on-site refinishing of cabinets, woodwork, and built-in furnishings, and wants to expand into new kitchen layout and design, later into design of whole houses and buildings.

As for the restoration, he plans to franchise it, using his current business structure as a basis. Says Jeff, "We are going to sell not only the name and supplies, but also the woodworking skills, management techniques, advertising information, and everything else it takes to run a successful refinishing business."

Section 3

CASE STUDY QUESTIONS

Jeffrey T. Stone

Heritage Restorations

1. Why did Jeffrey Stone start a business of his own?

2. How did he decide what kind of business he would start and when did it become a "business" instead of a summer job?

3. Describe the business organization of Heritage Restorations. How is it unique and what are its advantages?

4. As far as education, Jeff says he "did things backward." What were the sources of his business training?

5. How has Heritage Restorations grown, and what are Jeff's plans for continued growth?

Jeffrey T. Stone

Answers:

1. Jeff started a business of his own because he wanted extra spending money.

2. When he first started out, Jeff made furniture during the summer when he was asked to do some refinishing work. Refinishing seemed like the way to go because it was a custom service and required low overhead.

3. Heritage Restorations is organized so that each 'worker' is an independent contractor of sole proprietors operating under one name. Each person shares in the profits according to the time he puts in.

4. Jeff started his business first then he attended community college, majoring in business management.

5. Heritage Restorations has grown 400 percent in one year and Jeff wants it to continue to expand that rate.

Name:	Mark Suttle
Business Name:	Suttle's Self Serve Car Wash
Business Address:	5160 West Broadway Crystal, MN 55429
Business Phone:	(612) 533-0508
Type of Business:	Indoor self serve car wash

Even in grade school, Mark Suttle realized that "anyone could be a fireman but to be fire chief you had to achieve more than anyone else."

Mark says he was "no whiz kid" as a student. Yet he readily mastered business principles in the marketing and retail management program at Hennepin Technical Center, Eden Prairie, Minnesota. A stint in the home office of Perkins Restaurants provided a close-up look at the retail world.

Above all, Mark knew himself well enough to know that he wanted to be an entrepreneur, and that his chances of success were good. "I have a knack for making money on my own," Mark says. Also, he manages time well, deals easily with customers and employees, and can present his case very convincingly to bankers and others in the business world.

Mark went into business when he was 24. He knew the risks but also knew that "one must strive to make the risk a calculated one."

This he did by carefully studying the field he intended to enter. He knew that his community, Crystal, Minnesota, did not have an up to date self serve car wash. He visited other car washes and noticed their shortcomings. "They require customers to fiddle with coins and usually have no employees around to help."

Self serve car washes suffered from a poor image. Mark set about to improve that image by doing things differently. His self serve car wash has 16 bays in a heated building (making it the world's largest). Instead of putting coins in a meter, customers receive a ticket and pay for the time they use the bay. Equipment is clean and up to date. And there are always employees present to take payments and explain how things work.

Crystal is a predominantly blue-collar community where people like to wash their own cars. Mark targeted his service to 20-60-year-old customers with better-than-average incomes.

He credits his vocational education and his experience with the Perkins organization for giving him the know-how to start his own business. The marketing program at Hennepin Technical Center included business basics like advertising, selling, and buying. DECA competitions, internships, and public speaking experiences were particularly valuable, he thinks.

In addition, Mark's grandmother owned a small convenience store and his father was an accountant and business consultant. Mark drew upon their experience and advice. Still, he would like to have learned more writing and bookkeeping skills.

One of the problems in Mark's business is that it is seasonal. He must allocate funds carefully to be sure they last through the slow months.

For start-up financing, Mark used bank loans and assets of his own, including stocks and bonds. He began with three employees and now has 11. Last year, his gross sales were more than $500,000, and he put 15 percent of his profits back into the business.

Suttle's Self Serve Car Wash has achieved 20 to 30 percent growth in each of its first five years. Mark's goal is to keep on growing at this rate, a goal he plans to reach by offering new items, keeping his equipment "state-of-the-art," and possibly expanding.

Mark's entrepreneurship style is in keeping with his personality. He likes money and the opportunity to continually improve his income. He "likes to call the shots." He's not afraid of long hours, and in fact does not count the hours he puts in to make his car wash a success.

Section 3

CASE STUDY QUESTIONS

Mark Suttle

Suttle's Self Serve Car Wash

1. What did Mark Suttle observe about the car wash industry and his community that helped him determine the kind of business he would start?

2. Describe Mark's style of entrepreneurship.

3. What is different about Suttle's Self Serve Car Wash?

4. What is Mark's main business goal and how does he plan to reach it?

5. Name one of the problems Mark must deal with in the car wash business.

Mark Suttle

Answers:

1. Mark saw that there were no up-to-date self-serve car washes in the community. There were only out-of-date coin operated car washes with no service personnel available to help with any problems or questions that might arise.

2. Mark enjoys making money and the opportunities to increase his income that owning his own business provide.

3. He has 16 bays in a heated building where the customer is given a ticket and pays for the time he uses the bay. He has clean, modern equipment, and employees are always available to help with any questions.

4. His goal is to continue growing by 20 to 30 percent per year. Offering new items, keeping modern equipment, and possibly expanding are the ways in which he plans to achieve his goal.

5. He has to budget his money carefully to see him through a seasonal slow period every year.

Name: Haruko Westcott

Business Name: HARU Oriental Creations

Business Address: 4024 North Mesa
El Paso, TX 79902

Business Phone: (505) 533-4267

Type of Business: Japanese import shop

"America, the land of opportunity" is not just a phrase to Haruko Westcott. In this country, Haruko finds much more freedom to "do her own thing" than she did in her native Japan.

Haruko's "own thing" is operating a Japanese gift shop in a popular El Paso Japanese restaurant. Since the restaurant's clientele are her potential customers, she must tailor her hours of operation to the restaurant business.

Most days the shop is open from 6 to 11 p.m. In busier buying seasons, such as the weeks before Christmas, Haruko opens her shop from noon to 2 p.m. for the lunch trade, also.

One of the first changes in her life-style was that she stayed up late and slept late, because of her business hours. Instead of considering this a drawback, Haruko considers it one of the benefits of being her own boss--not having to feel guilty if she doesn't keep exactly the same hours as her co-workers.

"I don't have the pressure or stress that I would if I was working for someone else," Haruko says. "Everything is at my pace, so I don't drain as much energy as I used to." When she worked as a secretary, she says, she had a lot of aches and pains. Those have disappeared now that she has her own business.

In Yokohama schools, Haruko was a good student, earning the equivalent of A's and B's in American schools. She attended an English-speaking business college in Yokohama, learning shorthand and secretarial skills. Positions requiring shorthand in English were among the highest-paying jobs open to Japanese women. People with Haruko's qualifications were so much in demand that Haruko went into the secretarial field "almost without thinking." She later regretted her choice. "I felt like I was wasting time doing something that I really didn't like," she says.

She came to this country because she married an American. The marriage ended, but Haruko stayed on and furthered her education with business courses in San Diego and Seattle and Spanish at the University of Mexico.

Now, in addition to running her gift shop, she's taking courses in business administration at El Paso Community College.

The gift shop idea grew out of a job as a tour guide in Mexico. Haruko would take tourists to the open markets of Japan and Singapore, where she watched international buyers at work. "I saw a lot of merchandise, inexpensive things, and I think that's the moment that I really wanted to have my own shop," she says.

Though there are other retail outlets for oriental goods in El Paso, Haruko's is the only shop selling exclusively Japanese products. Haruko stocked the store using her own savings.

Haruko is good at selling. She likes people. She thinks good public relations is the key to success in sales. Despite some early advice to the contrary, Haruko tends to trust people, and says she has never been let down.

Coming from an environment where women traditionally do not own businesses, Haruko feels that women have equal opportunity with men in America. In fact, she says, being a woman has advantages in her business.

El Paso is very near Mexico, and part of her clientele is Mexican. With the devaluation of the peso and the poor state of the Mexican economy, she now feels that she is not making as much money as she would like to.

So she is opening a new and different business based on principles she learned in a marketing class: the the strongest buying motives are linked to very basic human drives, like sex or fear of death. Haruko's new venture is called "Esthetics." It will be a skin care and body care salon.

The motive to buy Japanese gifts is pale in comparison to the desire to look and feel younger, Haruko realizes. "I thought that if I get into something that's really motivating people," Haruko says, "and if I get really expert in that line, then I will be much more successful.

"And I want to become successful," she says.

Section 3

CASE STUDY QUESTIONS

Haruko Westcott

HARU Oriental Creations

1. What motivated Haruko to go into the import gift business?

2. What advantages does it have for her over her former career as a secretary?

3. Haruko admits that making money is not currently the principal reward of being in business for herself. What kinds of rewards and satisfaction is she receiving?

4. Where did she derive her idea for her new business? Do you agree?

5. Debate whether Haruko's chances of success are better in the skin care or the imported gift business.

Haruko Westcott

Answers:

1. While Haruko was a tour guide in Mexico, she watched other international buyers selling their wares. This motivated her to own her own shop.

2. As a secretary, Haruko was under a lot of pressure and stress, working for someone else. Now "everything" is at her own pace.

3. She likes people and enjoys selling. Other rewards include setting her own hours and being more relaxed.

4. Haruko's new business idea came out of a marketing class that suggested that buying motives are linked to very basic human drives such as sex or fear of death. Do you agree?

5. There are arguments for both ideas.

Young Entrepreneur Case Studies

Section 4

HOW CAN I PREPARE TO BE MY OWN BOSS?

Vince Ghiloni	Ohio	Ghiloni Woodwork Construction Co.
Kay (Casey) Hassinger	Minnesota	Hassinger Trucking
T. Bruce Hilliard	Georgia	Bruce's and the Balloonery
Lane Craig	Missouri	The Brothers Fish and Pet Shop
DeAlva Gratz Oakes	Tennessee	Alma's
Sheila Patterson	Tennessee	Patterson Limited
Ralph Scopa, Jr.	Massachusetts	Scopa Construction Company
Clarence & Clifford Smith	West Virginia	Arvilla Well Service
B. John Smith	Tennessee	Appalachian Chair Company
Patricia Ann Stewart	Illinois	Chinoo's
Dale E. Wynn	Ohio	DWyco Office Products

Name: Vince Ghiloni

Business Name: Ghiloni Woodwork Construction Co.

Business Address: 114 North Buena Vista #6
Newark, OH 43055

Business Phone: (614) 345-6334

Type of Business: Construction company

Vince Ghiloni started his own business at age 19. He had worked in construction during high school and, after graduation, for a custom builder. While he was laid off during the winter months, a developer asked him to do interior finish work on his new homes as a sub-contractor, and Vince was ready. Says Vince, "I felt all my construction skills were being used by my employer. It was time that I personally got the recognition for my work."

At an early age, Vince was taught by his parents to be the very best in whatever he did. He learned his craft in high school at Licking County Joint Vocational School in Newark, Ohio. Vince thinks his vocational training not only taught him how to build, but also put him four to five years ahead of those who went to a traditional high school. "I received technical training that many of my competitors never had. The schooling covered the latest products and techniques."

When Ghiloni Woodwork Construction Company began, Vince was its only employee. While working for other companies, he had started purchasing equipment he would need for his own business, so no start-up capital was needed. Vince currently employs six people, and his work includes building, remodeling, and renovating homes, commercial office buildings, apartment complexes, and factories.

Because of his respect for the fine vocational training he received, Vince finds his business unique in that he hires only vocational school graduates. Vince states, "I feel this saves me a great deal of training time, and, having been there myself, I know what to expect from a new graduate."

Vince holds his employees in high regard, working alongside them every day. "I don't expect them to do anything I wouldn't do myself." He tries to be as fair as possible to all involved in his business. Says Vince, "My fellow employees are not just people who work for me, they are my friends and a genuine part of the company."

The largest hurdle Vince had to overcome was his lack of business training. He knew nothing about accounting, taxes, billing, advertising, or management. He found the best way to learn these was by asking others in construction and by reading. Vince states, "I have been in business nearly nine years and have been able to master these skills only in the last three years."

Vince continues to be involved in the vocational school that gave him so much. He is a member of the local advisory committee, where he can inform instructors as to what the local contractors require in new employees, and he is a well received speaker at workshops and conferences.

Vince compares entrepreneurship to being an American pioneer. "Each day brings something new, something unexpected, and problems to solve. As the boss, I have these problems--they are my responsibility."

Section 4

CASE STUDY QUESTIONS

Vince Ghiloni

Ghiloni Woodwork Construction Company

1. What business advantages did Vince gain in vocational school?

2. Name the ways in which vocational education continues to be important in Vince's life and career.

3. Describe Vince's attitude toward his employees.

4. What makes Ghiloni Woodwork Construction Company unique among its competitors?

5. How long did it take Vince to learn the business skills that were not taught in vocational school, and what were his sources for this learning?

Vince Ghiloni

Answers:

1. Vince received technical training that many of his competitors did not.

2. Vince hires only vocational education graduates because it saves him training time and provides him with a workforce whose capabilities he is more sure of. He is also a member of the local advisory committee of his former school.

3. He feels that his employees are his friends and "a genuine part of the company."

4. It hires only vocational school graduates.

5. It took about nine years. He learned primarily by asking others in the construction business and by reading.

Name: Kay (Casey) Hassinger

Business Name: Hassinger Trucking

Business Address: 313 Park Lane
Redwood Falls, MN 56283

Business Phone: (507) 637-2717

Type of Business: Trailer hauler

While Casey Hassinger was growing up, she had for neighbors a husband and wife team of truckers. Their kind of life appealed to her. Says Casey, "I spent a lot of time watching them and helping with maintenance. I have always enjoyed being outdoors and active, so it was a natural for me." The neighbors allowed her to become involved. "I learned to understand and be comfortable around trucks. Without those people, I might never have developed an interest."

Casey enrolled in truck driving at Alexandria AVTI, Alexandria, Minnesota, after high school graduation. There she was provided with the training needed to obtain a Class A driver's license, learning the rules and regulations of the trucking industry, log keeping, map reading, and other required skills. "The best part was the teachers," say Casey. "They were also my friends." Casey's teachers encouraged her, shared their experience in the industry, and offered sound advice.

She started her own business at the age of 20 with the help of her parents' second mortgage and "an enormous bank loan," which she plans to pay off in 1987.

Casey had worked for other companies by that time, but her experiences were not very satisfying. A small leasing firm she had worked for went into bankruptcy, costing her several thousand dollars in unpaid commissions. In addition, the owner of the first company she worked for after graduation "made a practice of allowing his trucks to fall into bad repair." After being shut down repeatedly for having faulty equipment and being involved in an accident because of brake failure, Casey "decided the only way I could control the equipment I drove was to own it myself."

One of Casey's biggest challenges is that she is a woman in a male-dominated industry. Says Casey, "I have to try a little harder to prove my willingness and ability to do the job." The nature of her business requires her to stop in some pretty rough neighborhoods, so Casey started carrying a registered handgun in her truck, although she hasn't needed to use it yet.

Casey enjoys running her own business. Her parents own an office supply store, so she grew up knowing about the kind of dedication that an owner gives to his business. She is proud of her 1984 Western Star tractor, performing her own regular maintenance and many repairs. Her business is a sole proprietorship. Although she had a net loss in 1985, Casey expects to gross around $80,000 in 1986 and hopes to make a profit for the first time.

In the future Casey wants to own her own trailer and become an independent trucker. When her bank loan is paid off in 1987, she will repay her family the money they loaned.

Section 4

CASE STUDY QUESTIONS

Kay (Casey) Hassinger

Hassinger Trucking

1. What does Casey particularly like about the business she has chosen?

2. As a young woman in a male-dominated business, Casey has had to surmount more than ordinary obstacles to business success. How has she done it?

3. What did Casey gain from Alexandria Vocational and Technical Institute? What more did she learn in her first years in business?

4. Describe Casey's early experiences and family background that led her toward entrepreneurship?

5. What are Casey's immediate business goals? Long-range goals?

Kay (Casey) Hassinger

Answers:

1. Casey likes being active and spending time out of doors. She also likes owning and maintaining her own equipment.

2. Her parents' financial support and a large bank loan provided starting-up funds. Working harder than some male counterparts in order to prove her ability to do the work has also been a factor.

3. Casey gained the knowledge and skills necessary to operate a trailer hauler business. Her learning was aided by her teachers' encouragement and their advice based on their own experiences in the industry. In her first years in the business she learned about pitfalls that she should avoid.

4. Since her parents own an office supply store, Casey learned early what it meant to be the owner of a small business. Her neighbors, a husband and wife team of truckers, also provided early experience that helped shape her course.

5. Her short-range goal is a profitable year in 1986. Her long-range goal is to own her own truck and trailer and be an independent trucker.

Name: T. Bruce Hilliard

Business Name: Bruce's and The Balloonery

Business Address: 130A South Hutchinson Avenue
Adel, GA 31620

Business Phone: (912) 896-4028

Type of Business: Toy store

As far back as Bruce Hilliard can remember, his family has had a retail business. His parents owned a five-and-dime store in the '60's; his mother owned a florist shop in the '70's; and both parents now own a farm and garden supply center. Bruce helped in the family businesses as a child, gaining valuable experience that would serve him well in his own venture.

Following high school, where Bruce concentrated his studies on business-related subjects, he attended Valdosta Tech, Valdosta, Georgia, to gain a more in-depth education in business management. At age 22, after he had run in an election for Cook County tax commissioner and narrowly missed being in the runoff, Bruce decided to start his own business.

He had observed that there were no toy stores--or even toy departments--in Adel. He states, "It was something Adel needed. If you wanted a nice toy, you had to drive 20 miles to find a decent toy store." Bruce financed his store with his own savings and with help from his parents, who pitched in also with "sweat equity."

Stocking mainly national brand items, avoiding short-term fad toys, and being literally "the only game in town" have minimized Bruce's risk. His only close competitor carries imported toys and giftware. Bruce believes "you just have to charge ahead, thinking positive. Life is full of risks, no matter what you do."

Bruce's greatest challenge has been finding ways to buy at prices that enable him to be competitive with multi-store operations in nearby towns. He recognizes his responsibility. "It does tie you down. You have to be there when problems arise, and it's your responsibility if money gets tight." However, Bruce enjoys the customer contact and being his own boss.

Bruce started out with one employee--himself. He hires part-time help during holidays. His business is a sole proprietorship because he wanted to "go it alone." Annual sales for 1985 were $40,000. Bruce put 75 percent of this back into the business.

Being his own boss, Bruce enjoys the ability to set his own goals. "You can run the business the best way you know how and not worry about higher-ups," he says. At present, he is in the process of opening a country collectibles store. He plans to expand his toy store in the near future and hopes some day to own a chain of toy and gift stores.

Bruce feels he owes his success to his solid business background from work and school. "They taught me the skills, such as record keeping and tax knowledge, necessary to run a small business, and to run a business as safely as possible. Lawsuits can put you out of business in a hurry," Bruce says. He also credits his positive, business-like attitude. He is courteous and willing to work long hours. "I don't allow myself to get deeply in debt," he says, "and I try to keep the customers happy. The customer is always right."

Section 4

CASE STUDY QUESTIONS

T. Bruce Hilliard

Bruce's and The Balloonery

1. How did the type of business Bruce decided to go into help to minimize his risk of starting up a toy store?

2. What does Bruce like about making his own decisions?

3. What kinds of responsibilities and problems come with "being your own boss?"

4. What kinds of educational and family resources helped prepare Bruce to start his own business?

5. How does Bruce feel about the risks that he took when he first went into business?

Bruce Hilliard

Answers:

1. His risk was minimized because there was no direct competition in his town. The nearest direct competition was 20 miles distant.

2. Bruce likes the idea of being able to set his own business goals--he can operate his business the way he wants to.

3. "Being your own boss" requires that you often put a lot of time into your business, since you have to be there when problems arise. You also, for example, must find ways to be competitive with larger businesses.

4. Bruce gained business experience by helping in the family business as a child. His parents also pitched in to help when he started his business. To gain a more in-depth knowledge of business management, he attended Valdosta Tech.

5. He feels that life is full of risks and that one just has to "charge ahead" while maintaining a positive attitude.

Name: Lane Craig

Business Name: The Brothers Fish and Pet Shop

Business Address: Blue Ridge Mall
4200 Blue Ridge
Kansas City, MO 64133

Business Phone: (816) 358-6005 or (816) 444-4522

Type of Business: Pet store

Lane Craig's pet store business grew out of a part-time job that paid for his own animals. But the turning point that led to owning his own business was his parents' divorce when he was a sophomore in high school.

That experience, Lane says, "made me grow up and realize that there wasn't anybody in this world who was going to take care of me, except me."

His father and mother had both quit jobs, his father to train horses and his mother to breed dogs and open a grooming shop. Animals were in his background, and selling was in his blood. "I could sell boot laces to your mother if I had to," he says.

Lane built his education around this aptitude. He took distributive education beginning in his sophomore year with a pilot program in his high school, and finished at Cass County Area Vocational School, Harrisonville, Missouri.

To begin with, Lane says, "I was probably one of the worst kids in the whole school, to be honest about it. The last two years, when I finally had made a decision about which way I wanted to go in life, I knew that I had to get my act together and go for it."

He learned selling, advertising, display, merchandising, job interviewing, and "people" skills in vocational classes. Competing in distributive education state contests gave him practical experience. (Now he regrets he didn't take other business courses like typing, accounting, and business law.)

Lane was student council president and a member of the National Honor Society. But he started his first part-time job at age 16, which didn't leave much time for extra-curriculars. "I just made the decision and said, 'Fine, okay, we're not going to play sports, we're going to work towards a goal,'" he recalls.

College was not an option with Lane. "I really didn't consider myself college material," he says. By age 22, his selling ability and vocational training had taken him as far as he could go with the J.C. Penney organization. Management possibilities were out, because he lacked a college degree.

The alternative was to own his own business. He had an opportunity to buy an existing pet store where he had worked part-time. The price was reasonable, and the risks were minimal. At age 22, Lane had no dependents and did not need a high income. Besides, he says, "I was young enough and a good enough sales person, I knew if I had to I could always return to a company like Penney's."

He had learned enough in vocational school to negotiate his own purchase and lease agreements. He didn't hire an accountant until after he owned the business. His initial hurdles are still his biggest problems: not enough hours in the day and never enough cash flow to do all the things he wants to do.

Nevertheless, his business has grown steadily. He started with one part-time employee in one store, and now has eight employees in two stores. He plans to open a third store within the year. He started his business as a sole proprietorship but thinks it will soon be big enough so that incorporating will be to his advantage.

Last year his two stores did over $600,000 worth of business. Lane reinvested all of his profit except what was necessary to live on.

Lane thinks hard work and sincerity have been his keys to success. Now a personable young man of 29, he observes the Golden Rule in his dealings. He knows his customers by their first names and treats them as if he were on their side of the counter.

Some mechanical ability and general willingness help, too. "If it's dirty, I clean it. If it's broken, I fix it or buy a new one," he says.

He considers himself lucky. "I get to do for a living what most people do for a hobby," he says. Nevertheless, animals require a lot of time. "They don't tolerate being put off till tomorrow," Lane observes. "So I have a loss of freedom in the everyday sense, but a lot more freedom in what I do and how I'm controlled."

His advice to hopeful entrepreneurs is not to be afraid. "Plan well, learn well, research well," he says. "Surround yourself with good people and learn all you can."

Section 4

CASE STUDY QUESTIONS

Lane Craig

Pet stores

1. Why did Lane Craig consider his risks minimal when he bought his own store?

2. How did an apparent misfortune--his parents' divorce--yield an advantage to Lane's business career?

3. How did Lane choose his vocational training to make the most of his natural abilities?

4. Setting a goal while still in high school changed Lane's life as a student. Name some of the ways.

5. Being in business for himself has changed his life in other ways, for instance, in the kind of freedom he enjoys. Describe Lane's point of view about trading one kind of freedom for another.

Lane Craig

Answers:

1. Lane felt that his risks were minimal because he purchased his store at a reasonable price when he was young and did not have any dependents.

2. His parents divorce made him grow up quickly and realize the importance of preparing for his future.

3. Lane was a natural salesman so he chose to take courses like selling, advertising, and merchandising to maximize his skills.

4. Setting a goal for his career while he was still in high school resulted in Lane not having time for extra-curricular activities.

5. The "animal business" requires a lot of time which translates into a loss of freedom for Lane. But, he considers himself lucky because he likes what he does and he is in control.

Name: DeAlva Gratz Oakes

Business Name: Alma's

Business Address: 3771 West Andrew Johnson Highway
Morristown, TN 37814

Business Phone: (615) 581-8666

Type of Business: Women's high-fashion clothing store

DeAlva Oakes had a head start on owning her business. Her mother opened it when DeAlva was in school and she helped out in the store from the beginning. Says DeAlva, "My mother has been the key person in my life and my business. She is an extremely hard-working and dedicated woman (who) started the business and worked at getting it all together."

In high school, DeAlva participated in the home economics vocational program at Morristown/Hamblen High School-West in Morristown, Tennessee, where she learned garment construction and was involved with fashion shows.

Following graduation, DeAlva attended the Fashion Institute of America in Atlanta, Georgia, majoring in fashion merchandising, in which she earned an associate's degree. While she felt the lack of training in such subjects as business management, small business accounting, computers, and personnel, DeAlva benefited from her training in public speaking, textiles and fabrics, merchandising and buying techniques. She states, "I learned the importance of my personal appearance in public, an appreciation of fine-quality fabrics and the need for budgeting."

With the help of a bank loan, DeAlva became a partner in her mother's business at age 23. Because she could not afford a professional marketing survey, DeAlva simply "assumed the needs were there." In her small community, she offers unique, high-fashion styles previously unavailable to discerning women of all ages. She also stocks accessories such as shoes, handbags, jewelry, and scarves.

DeAlva is aware that in order to succeed she must keep on top of other current trends such as home furnishings, travel, cuisine and men's clothing. "It all interrelates and has an impact on fashion." She frequently travels to New York City, Dallas, and Atlanta on buying trips in order to survive in the volatile garment industry.

Alma's prides itself in customer courtesy. Says DeAlva, "My employees are trained to make every person who walks in feel recognized, welcome, and very special. I stress 'special' because that's what we are."

The business started with two employees and now has eight. Gross sales for 1985 reached $450,000, and 70 percent of profits were reinvested. Alma's is a partnership.

As for the future, DeAlva says, "A pipe dream in retail is never to have a markdown." Realistically, however, she hopes to expand the clientele, which will in turn, increase sales and profits. DeAlva also wants to open a branch store in another suitable area.

DeAlva enjoys the rewards of having her own business. She likes the control of selecting her own employees and merchandise; "being surrounded by what I truly love--women's fashion clothing"; and knowing there are no limitations on her salary as long as the business continues to expand.

Section 4

CASE STUDY QUESTIONS

DeAlva Gratz Oakes

Alma's

1. Describe the influence of her mother in DeAlva's life.

2. What kinds of formal vocational preparation did DeAlva have for her work?

3. How does she stay up-to-date in an industry that is constantly changing?

4. What makes Alma's special in DeAlva's community?

5. To DeAlva, what are the rewards of being in business for herself?

DeAlva Gratz Oakes

Answers:

1. Her mother was a key person in DeAlva's decision to go into business because of her hard-working dedicated attitude towards owning a business.

2. In high school, DeAlva completed vocational coursework in home economics and went on to continue in fashion merchandising at the Fashion Institute of America.

3. DeAlva enjoys frequently traveling to New York City, Dallas, and Atlanta, to stay current in the fashion industry.

4. DeAlva trains her employees in customer courtesy so that they can make a potential buyer feel recognized, welcomed, and very special.

5. She likes the control of selecting her own employees and her own merchandise.

Name: Sheila Patterson

Business Name: Patterson Limited

Business Address: 702 17th Street, NW
Cleveland, TN 37311

Business Phone: (615) 476-2345

Type of Business: Full-service beauty salon

Sheila Patterson received her vocational training at Bradley Central High School in Cleveland, Tennessee, majoring in cosmetology. There she learned not only the basic skills, but also the artistry of "designing hair through line, dimension, proportion, and balance." Creative by nature, Sheila views hair styling as an art form.

While working for another salon, Sheila became disenchanted with being an employee. She states, "There was no chance for advancement. I was working 10 hours a day, and the only way to improve my income was to increase my clientele, which was impossible. I was spending more time than the owner in the salon and saw no need to give part of my income to someone else."

Sheila and her husband (also a hair stylist) planned ahead for her business start-up. Equipment was purchased as they could afford it, while a savings account provided the financing for her venture.

Targeting potential customers was easy for Sheila. She says, "Anyone with hair is a possible client." Her following from the previous job formed a customer foundation on which Sheila built through referrals and the advertising media. Patterson Limited's location, beside a health spa, contributed greatly to her walk-in business.

Sheila's salon is full-service, including unisex hair styling, coloring, permanents, superfluous-hair removal, tanning beds, and retail sales of the full line of Matrix products. With five stylists, the salon does not require appointments.

Sheila attributes her success to several factors. "I have an unwholesome drive that consumes me, and I thrive on challenge. I am not from a wealthy family, so survival skills are part of my inheritance. I am a strict, self-disciplined person with high expectations." Sheila's father owns an automotive repair business; her stepfather owns a small air conditioner/refrigerator repair shop. She says, "I guess I noticed the control they had with decisions."

Sheila opened her business when she was 20 years old (and looked even younger). Her youthful appearance was a disadvantage Sheila had to overcome. She had to find a landlord who believed in her ability as well as learn how to select the kind of employee she wanted, discover which of the advertising media worked best for her, and learn how to budget.

Patterson Limited is a proprietorship. Sheila began with one employee and now has five, three of whom are former vocational training students.

Sheila stresses that planning is essential. When she recognized her need for more business management skills, she pursued additional training in business management and bookkeeping at a local two-year college.

Loyal clientele and good employees have resulted from building a business based on honesty, trust, and confidence. Complete customer satisfaction is crucial in Sheila's business because service is her business.

When asked about her plans for the future, Sheila replied, "I want to continue growing and expanding in order to become financially secure. My goal is to create a more prestigious image."

Section 4

CASE STUDY QUESTIONS

Sheila Patterson

Patterson Limited

1. How did Sheila's family background prepare her to own her own business?

2. What were her feelings when she worked in someone else's salon?

3. What personal traits enter into her success story?

4. How does the location of her shop help?

5. Where did Sheila turn for further training in business management?

Sheila Patterson

Answers:

1. Sheila was not from a wealthy family so she developed several survival skills. She also liked the control in making decisions both her father and stepfather exhibited in their own businesses.

2. She felt there was no chance for advancement because the only way to increase her income was to increase her clientele. Sheila was already spending more time at work than the owner.

3. Sheila views herself as a strict, self-disciplined person with high expectations. She believes in building her business upon honesty, trust, and confidence.

4. Sheila's shop is located next to a health spa which greatly contributes to her walk-in business.

5. She attended a local two-year college and developed her skills in business management and bookkeeping.

Name: Ralph Scopa, Jr.

Business Name: Scopa Construction Corporation

Business Address: 24 North Street
Randolph, MA 02368

Business Phone: (617) 986-4416

Type of Business: General contractor

Becoming a general contractor was never really a decision for Ralph Scopa. It was something he had always wanted to do.

As a young boy, he was fascinated by construction projects. When he was 12 years old, he started building picnic tables and other small furnishings. They "sold like hot cakes," he said, giving him the confidence to tackle larger projects.

In high school, he built projects from basement rooms to garages. He worked on a framing crew and for a cabinet maker. Ralph's father worked for the state but did plumbing on the side, and Ralph gained a knowledge of plumbing by helping him. His father encouraged him to go into business for himself. "You'll be doing something you like all your life," he told Ralph.

With this inventory of skills, Ralph took two semesters of small business management. But he credits his four years of structural woodwork training at Blue Hills Regional Technical School, Canton, Massachusetts, for a broad range of hands-on experience that taught him the "why" of construction--"Why you needed this in this spot, and a two-by-ten in that spot," Ralph says. It was at Blue Hills, too, that Ralph learned how to estimate jobs, a critical factor for success in his work.

"I've always done estimates correctly, but I guess that's the biggest risk in this business--making sure you figure jobs right," Ralph says, "because that's how a lot of people go out of business."

The business Ralph started in 1980 has done quite the opposite. It has prospered. Scopa Construction Company's sales have jumped from $200,000 last year to $1 million this year. That is twice what Ralph had set as a goal for this year, and it puts him five years ahead of his business plan.

"I had figured that by the time I'm 30, I didn't want to have to be pounding nails every day. Right now I'm only 25, and for the past year I haven't pounded a nail," Ralph says.

He credits his success to hard work, honesty, and trying very hard to please his customers. "My source for financing was hard work, and lots of it," he says. Until recently, he had no bank

Julie A. Rodgers

Answers:

1. Julie sees failure as an educational experience. Failure led to the beginning of her business venture.

2. Julie believes that make-up is the main ingredient that women use to make themselves feel better personally. As a result she wants to help educate her clientele in the use of make-up.

3. She is presently seeking support from at least 10 beauty salons where she can sell her line of cosmetics. Within five years, Julie intends to have a $5 million company.

4. Her mother's influence showed Julie that she could be Black and successful.

5. Owning her own business allows Julie to be independent. She likes what she does as it is more fun than it is anything else.

Name:	Linda Chell Rooney
Business Name:	Aurora Office Systems
Business Address:	High Bridge Road, R.D. #2, Box 460 Trenton, NJ 08620
Business Phone:	(609) 298-0331
Type of Business:	Computer-based office services

Linda Rooney's early training led her into the secretarial profession, where she quickly became disillusioned. Although she was highly skilled, the "lots of responsibility with no authority" syndrome was frustrating for her. Says Linda, "For a secretary, there is lack of opportunity for advancement in almost every industry. I have felt for a long time that secretaries are grossly underpaid."

Although Linda was performing on a management level, she was told there would be no position higher than "secretary" available for her. She often had been called on to develop and implement office efficiency measures, use her computer knowledge to increase productivity, or recommend computer systems; however, her well-informed and workable solutions often went unused. She states, "I saw owning my own business as a way to eliminate this frustration and to profit from my expertise in office automation."

Linda opened her business at age 26, purchasing a computer and software with a personal loan. During the first year her office was a spare bedroom and the office furniture an old student's desk from her husband's college days. Says Linda, "After a year in those cramped quarters, I was able to purchase 'real office furniture' and filing cabinets, and I set up my office in another room at home, which serves to this day."

Aurora Office Systems provides computer-based office services including word processing, automated bookkeeping and payroll, data entry and mass mailings. Linda's targeted customers are businesses "faced with unexpected or temporary support staff shortages, seasonal work-flow changes, or periodic large projects with tight deadlines." She offers relief from disappointing temporary employment agencies and morale-lowering employee overtime. "We sell peace of mind, she states."

Linda received her occupational training at Hamilton High-West, Mercer County College and Trenton State College, all in Trenton, New Jersey, majoring in business administration. Her high school education gave her skills in English, grammar and communications, which she found invaluable in obtaining her first job (through the school's cooperative work program). At college she was introduced to the professional business world and was "encouraged to use my initiative to fill an obvious gap in office support systems."

Aurora Office Systems is presently a sole proprietorship. While Linda is the only employee, she has four standby independent contractors to help out when the work load is too much.

Linda's dream is to expand her business into a "total office concept" in an office condominium setting. She wants to lease or purchase her own office building and provide all office support services to tenants.

In Linda's words, "I want to manage my business, not work at it. I have put in my time at the keyboard, at the computer, pouring coffee. I now feel like a professional, even when I have to do my own typing, but I prefer marketing and managing. In order to achieve this personal goal, my business will have to support both me and a full staff of employees, a situation which I anticipate happening within the next three years."

Section 2

CASE STUDY QUESTIONS

Linda Chell Rooney

Aurora Office Systems

1. Describe Linda Chell Rooney's disappointment with the secretarial field and how it made her determined to own her own business.

2. What were her major expenses as she started her business?

3. What are her expansion goals?

4. How did she target her clientele?

5. What areas did Linda receive training in, besides office skills, and how are these important to an entrepreneur, more than to an employee?

Linda Chell Rooney

Answers:

1. Although Linda was highly skilled as a secretary, there was a lack of opportunity for advancement. Owning her own business gave her a chance to both eliminate the frustration she felt with the job market and profit from her expertise.
2. Linda's major expense was a computer and its accompanying software.
3. She hopes to expand her business by leasing or owning an office building and providing all office support services to the tenants.
4. Aurora sees a potential customer in any business that is faced with "unexpected or temporary support staff shortages" for whatever reason.
5. Linda also received training in English, grammar, and communications which helped her obtain her first job.

Name: Timothy P. Seward

Business Name: Sunrise Warehouse Distributors

Business Address: 820 North Euclid Avenue
Bay City, MI 48706

Business Phone: (517) 684-1211

Type of Business: Auto detailing, rustproofing franchise and auto supply distribution business

When Timothy Seward was a teenager, $37.50 seemed like a lot of money. While going to school, Tim earned about $80 a week--$50 clerking in his father's law office and $30 frying fish at Long John Silver's.

From a packet that came in the mail, he learned about an opportunity to sell advertising specialties. His first sale was for $150, and he got to keep 25 percent--$37.50. In one hour he'd earned more than he did frying fish for a whole week at Long John Silver's.

That wasn't the only eye-opener Tim experienced in selling imprinted key chains, bumper stickers, matches, and calendars to businesses. His customers were mostly local stores and restaurants that would place orders for 100 or so items to give away to their customers. Tim would get to talking with them and learn something about their business. He thought to himself, "Gosh, if they can do it, I can, too."

When he was 18 he bought a Tidy Car franchise that he read about in a magazine. It involved an outlay of less than $2,000 for a kit of auto polishing supplies. Tim hired other people to polish people's cars in their driveways.

Tidy Car offered a Corvette to the U.S. franchisee with the greatest increase in business. "I got pretty excited about that, and over a three-month period we increased our business about 1200 percent," Tim says. Tim won the Corvette.

One of the first places he drove it was to the bank, where he offered it as collateral on a $10,000 loan. He used the loan to purchase equipment and fixtures for a rented two-bay Gulf station--his first business location.

From that location and two employees, Tim's Tidy Car franchise has grown to four locations (Bay City, Saginaw, Midland, and Flint, Michigan). Their cumulative business volume this year will exceed $1.4 million.

Tim has also started a warehouse distribution company that sells sun roofs, running boards, rustproofing chemicals and other automotive supplies to businesses like Tidy Car. In the first six months, the distribution company did $600,000 worth of business. Tim will gross about $2 million this year between the two businesses, and double that next year, he thinks. Most of his profit goes back into the business.

Each of Tim's businesses is a separate organization. Two of the Tidy Car locations are corporations. Tim's father is a partner in one, a friend in another. The others are sole proprietorships.

Tim credits the flexibility of the distributive education program at Bay-Arenac Skill Center, Bay City, Michigan, for allowing him to operate his own business on a time release arrangement. He was a top-notch student in a college preparatory curriculum, but believes he learned more from distributive education "because it was so pertinent to what I really wanted." Actually, after six months in college he decided that his business needed him more than he would need college.

As state DECA treasurer in high school, Tim developed his leadership skills. He says that his campaign tour of 40 high schools, within the state of Michigan, was a lot of fun, but, also taught him much about people at the age of 18.

The most helpful thing in operating his businesses, Tim says, is his sales ability, which he developed strictly out of necessity by "reading every single book I could possibly find on sales and selling." Knowledge gave him the confidence to weather the "tear-your-hair-out months" when he was starting out.

He thought his target market would be executives who did not have time to take care of their cars. But he's finding that he gets a lot of business from retired people and "just average working folks."

He markets his services aggressively on television and radio, matching his message to the seasons. He doesn't downplay the competition. Instead, he stresses the added advantages of Tidy Car.

"We consider the customer to be the most important reason why we're in business," Tim says. Integrity and trust are essential. "When you tell someone you are going to do something, you do it in 100 cases out of 100," he says.

Section 2

CASE STUDY QUESTIONS

Timothy Seward

Sunrise Warehouse Distributors

1. Where did Tim Seward get his business ideas?

2. What did he learn with his first sale?

3. How did he finance his first Tidy Car location?

4. Much of Tim's sales skill was self-taught. What are some of the sources of learning about selling, besides his distributive education training?

5. What are some of the other reasons for Tim's business success, besides his salesmanship?

Timothy Seward

Answers:

1. Tim got both his idea to sell advertising specialities and the Tidy Car franchise from advertisements for sales opportunities.

2. As a teenager, Tim's first advertising specialty proved to him that he could earn more money selling than frying fish.

3. He was able to finance his first Tidy Car location by putting up the Corvette he won for having the greatest increase in business for collateral on a $10,000 loan.

4. Tim's sales skills came from experience, family influence, reading books on sales, and selling, in addition to his extensive experiences in sales training in distributive education.

5. He believes the customer to be the most important where company integrity and trust are essential.

Name: John Watson

Business Name: M & J Automotive Service, Inc.

Business Address: 2329 Cherry Street
Columbus, IN 47201

Business Phone: (812) 372-3191

Type of Business: General automotive and light truck repair

John Watson turned bad luck into good fortune. As a graduate of Lincoln Technical Institute, Indianapolis, Indiana, in automotive and diesel truck technology, John went to work for a mechanic in Columbus, Indiana.

It didn't take him long to see that his employer was engaging in many shoddy business practices: over-charging, putting on unnecessary parts, refusing to correct unsatisfactory work. "I got to the point where I couldn't face friends and customers who went to me for a fair, honest repair job," says John.

While some people would regret their bad luck in having gone to work for such an employer, John used it as a springboard to start his own business. "Not having any say in how his business was run," John says, "the only thing I could do was to set up my own, and hope people would agree with the way I like things to be done."

People did agree with John. Even though his automotive service is in a town with many similar businesses, John's shop is "currently booked ahead almost two weeks, with new faces coming in the shop every day on recommendations from their friends." He has found it unnecessary to do any other form of advertising.

John was 23 when he started M & J Automotive Service. He used his personal savings, a loan from his grandparents, and acquired a temporary partner/investor to establish the business.

His father, an accountant for the State of Indiana, set up his books and stressed the importance of accurate bookkeeping. John and his partner "hired the best lawyer we could afford to set up the corporation and see that it was beyond reproach legally." A friend in real estate helped find a site, and other friends pitched in to modify the building and set up the shop.

After a couple of years, the partner dropped out to find a less stressful occupation.

Stress is a problem in his life, John admits. A family man, he finds it hard to "juggle time to keep business going smoothly and still spend time with my family." Another problem is finding suitable employees to do the quality work he insists on. He started with just a partner, and now has five employees working for him. Keeping prices competitive with the fluctuating local economy and still making a profit is difficult, John says.

Always mechanically inclined and a straight "A" vocational student, he feels that his training at Lincoln Technical Institute "gave me the basic fundamental skills in the area of auto repair which were unfamiliar to me and that I might not have otherwise ever had a chance to learn."

Columbus had no shortage of auto repair shops; however, there was a lack of quality. So John's management style includes careful, personal supervision of all of the work performed. He "watches out for the small details that tend to be overlooked in larger shops." He's less concerned with completing a repair job at the "flat rate" speed than with the quality of the work and the satisfaction of the customer.

John enjoys a challenge. He'll "take on a problem car that has been everywhere else, to keep my skills sharp." By teaching at a local vocational school, he keeps his technical knowledge up to date. John holds Certified Master Automotive and Truck Technician credentials from the national organization in his craft.

His financing practices and business goals, like his management style, are conservative. Last year's sales were $225,000. John plowed 80 percent of his profit back into the business. His short-term goals are to modernize the shop, put in some new lifts and doors, and to pay off his business debt in five years.

His long-term goals are "just a steady, secure income for the duration of my working years," putting money aside for retirement, and turning the business over, debt-free, to his children if any of them are interested in carrying it on.

Section 2

CASE STUDY QUESTIONS

John Watson

M & J Automotive Service

1. How did John Watson's early employment influence him to start his own business?

2. How does he meet competition from similar businesses in his town?

3. What sources of start-up financing did he use?

4. What are some of the problems in John's line of business?

5. The story describes John's business style as "conservative." Explain what that means.

John Watson

Answers:

1. His employer provided shoddy service and John had no say in how things were done. So, he decided to start his own business where the customer could receive a fair, honest repair job.

2. John is booked two weeks in advance and has no need to advertise because his good work brings in new customers who have heard that he does a good job.

3. He used his personal savings, a loan from his grandparents, and a temporary partner/investor.

4. Stress and having enough time to spend with his family. He also has trouble finding quality employees and keeping his prices in line with the "fluctuating local economy."

5. John returns 80 percent of his profit back into the business so that he can modernize, install new lifts and doors, and have his business be debt-free in five years. He wants to be able to pass on a sound business to his children.

Young Entrepreneur Case Studies

Section 3

WHAT TYPE OF BUSINESS COULD I START?

o	Anthony D. Andrews	Washington, DC	Eye-Tech Industries
o	Raul Avila	California	Avila and Companies
o	Jeffrey Paul Boaz	Iowa	Boaz Refrigeration & Appliance
o	Johanna Michelle Carlson	Wisconsin	J&R Cafe and Bakery
o	Kelly M. Hedger	Ohio	Hedger Diving Enterprises
o	Mark Kline	Colorado	Center Hub Corp., Et. Al.
o	Michael H. Leafer	Massachusetts	MHL Protection Systems, Inc.
o	Denise A. Maccianti	California	The Rocking Chair Emporium
o	Anna T. McLaughlin	Rhode Island	Professional Plant Care Service
o	Michael J. Olen	Massachusetts	O'Lyn Roofing Contractors, Inc.
o	Gordon R. Sconberg	Minnesota	Midwest Technical Service
o	Jeffrey T. Stone	Minnesota	Heritage Restorations
o	Mark Suttle	Minnesota	Suttle's Self Serve Car Wash
o	Haruko Westcott	Texas	HARU Oriental Creations

Name: Anthony D. Andrews

Business Name: Eye-Tech Industries

Business Address: 1025 Thomas Jefferson Street, NW,
Suite 400 E
Washington, DC 20007

Business Phone: (202) 499-5000

Type of Business: Non-glare eyewear

Most of the things Anthony Andrews has done in his 26 years have contributed in some way to the starting and operating of his business, which began as a protective eyewear company and has branched into mobile telephone sales.

Anthony first envisioned going into business for himself when he was 11 years old. He organized a football league around an electric football game, served as commissioner and collected money from the participants.

The son of a career Marine, Anthony lived in many parts of the country. He attended Frank W. Ballou High School in Washington, DC, compiling an outstanding record in distributive education. He won state and national awards in salesmanship, held offices in DECA (Distributive Education Clubs of America), and was active in sports and student government.

A stint as broadcaster on a radio station in Clovis, Texas, gave him experience in advertising and announcing. He learned accounting as an employee of a bank and a credit union in Washington, DC.

As a car salesman and finance manager, he received further intensive training in salesmanship. "I look at sales like a tennis match," Tony says. "You serve the ball to the customer, you give him your sales pitch. The customer hits the ball back and gives you an objection. You have to answer that objection, and you hit the ball back and you keep going back and forth until you finally win."

The idea for the eyewear business came when a friend pointed out that Chrysler New Yorkers were manufactured with a case for sunglasses in the overhead console, but without any sunglasses in it.

Anthony and his associate learned from research by the Department of Transportation that 78 percent of traffic deaths are caused by glare from sun, rain, snow, or headlights. Putting this statistic together with the high traffic accident rate in the Washington, DC area gave them the confidence to seek financing and go into business.

They now have prototypes of the lenses and factories lined up to produce them, and are involved in presenting their idea to automotive companies. In the meantime, they are exploring other facets of high technology for new avenues of business.

One venture is mobile telephones. Acting on their knowledge that sales of car telephones have been strong on the West Coast for the last decade, but the market has been virtually untapped in the East, Eye Tech has acquired a Cellular One franchise and a sales force of 10 people.

The company has 35 employees in all, including a research department. Anthony serves as chief operating officer. Sales last year were over $120,000, and 60 percent of profits were put back into the business.

Anthony's business is set up as a corporation, with a board of directors and stockholders. He believes that anyone contemplating starting a business should have the advice of a lawyer, "in case you step on someone's foot."

Trust is important, too. "When you start a business, you have to go with a nucleus of people that you can trust and believe in, and then build from that nucleus," he says.

"I like to stay busy," Anthony says. "I believe that the future belongs to those who prepare for it."

His business future will someday, he hopes, include being ranked among the top 10 in Black Enterprise magazine. Eye-Tech Industries' assets now rank it as a million-dollar company, "but I would love to see it go into the billions in the next few years," Anthony says, "and continue to grow and expand."

He believes that Eye-Tech's organizational framework will help it grow. "It's a multi-faceted company, not limited to just one or two things. You have a lot of companies in the United States and in the world that are only concentrating on one area, but we like to keep our eye on technology. Whatever action we can implement to make these things become a reality, we'll do it."

Section 3

CASE STUDY QUESTIONS

Anthony D. Andrews

Eye-Tech Industries

1. Where did Anthony Andrews get the idea for Eye-Tech Industries? How did research help his business plan?

2. How does the name Eye-Tech describe the variety of things Anthony does and wants to do in business?

3. What gave Anthony and his associates the idea for their mobile telephone business?

4. Describe the businesses that Anthony had worked for prior to starting his own business. How did each contribute to his present success?

5. What personal characteristics make Anthony a good businessman?

Anthony Andrews

Answers:

1. A friend noticed that Chrysler New Yorkers were manufactured with a case for sunglasses but the sunglasses did not come with the purchase of the car. Research turned up some interesting statistics that suggested it was safer for people to drive with sunglasses.

2. Anthony wants his business to grow by keeping an "eye on technology."

3. The mobile telephones idea is a result of research that indicates that this item is a good sales item but very few people are marketing it in the East.

4. Anthony has gained advertising and announcing experience from his job as a broadcaster at a radio station. He received sales training as a car salesman and finance manager.

5. Anthony believes that it is important to develop a sense of trust with the people you will be doing business with.

Name:	Raul Avila
Business Name:	AVILA and CO
Business Address:	1255 Corporate Center Drive, Suite 202 Monterey Park, CA 91754
Business Phone:	(213) 262-1201

Raul Avila credits his family with much of the success of his seven-year-old real estate investment business. His father had started his own electrical contracting business years earlier when he moved to Los Angeles from El Paso and found that no one would give him a job. A successful businessman, he provided financial support for Raul's venture, as well as an example of successful entrepreneurship.

Raul actually got the idea for starting his company when he worked in his oldest brother's real estate management company. Raul's sister worked for him as secretary and bookkeeper and is presently employed as his property supervisor.

But there were other circumstances besides family that led Raul to start his own business. A highly motivated student, he attended Catholic parochial schools, where he learned excellent communication skills as well as self descipline. Playing in the school [illegible] taught him coordination and teamwork. He studied busi[illegible]istration and building technology at Don Bosco Techn[illegible]itute, Rosemead, California, where he excelled at archit[illegible] design.

Commun[illegible] service [illegible]ortant part of Raul's personal make-up an[illegible] his life. [illegible]erved very early that no business succeeds unless it provides a service to the community. He also saw that his community needed opportunities to expand, and that locally there were many property owners who were tired of managing their rental property but who wanted to continue to own real estate. He saw the profitability of buying and selling income-distressed property.

These observations, together with Raul's education, self discipline, motivation, and community spirit, helped determine the type of business he would choose. The risks were "frightening," Raul says. Real estate development requires significant amounts of start-up capital for publicity, marketing, and promotion to investors. A $15,000 loan from Bank of America helped him begin.

Annual sales are now in the $600,000 range, and Raul projects that they may reach $3 million in two years. He puts almost all profits back into the AVILA and CO and is in the process of incorporating the business, which was formerly a partnership.

Because of his training in both business administration and building technology, Raul is able to provide all services for every property he purchases: negotiating, insurance, financing, construction, management, and sales.

Real estate development provides a base for the community service that is important to Raul. Although he was only 20 years old when he started in business--("It was difficult many times for bankers and brokers to take me seriously," he says.) -- Raul was elected president of the local Rotary Club at age 24. He serves as a city commissioner for Monterey Park, a field representative for a U.S. Congressman, a police reserve officer, and is on the boards of several community organizations.

He views his business as a means to serve a wide spectrum of people, from first-time home buyers to seasoned investors. He believes that in every business setback is the seed of a new opportunity. He is excited by the limitless opportunities in his chosen field. "I am my only limitation," Raul says.

Section 3

CASE STUDY QUESTIONS

Raul Avila

Real estate investment

1. What kind of personal characteristics does Raul believe have helped to contribute to his business success?

2. How did Raul's father and brother help him in making a decision to start a small business?

3. What did Raul know about the needs of the community that made his business different from his competitors?

4. What kinds of education experiences contributed to Raul's ability to go into business for himself?

5. How has Raul's community interests influenced both his goals he has set for his company and how he spends his spare time?

Raul Avila

Answers:

1. Raul believes that community service is an important part of business success.

2. Raul's father and brother both started their own businesses. His father was a good example of a successful entrepreneur while the experience he found working in his brother's company provided him with an interest in real estate.

3. He saw that locally there were many property owners who wanted someone else to manage their property for them. He also saw that buying and selling income-distressed property was not only profitable for him but it would also give his community an opportunity to expand.

4. A combination of several educational experiences helped Raul to go into business for himself including, communication skills, business administration and bulding technology.

5. Raul's interest in real estate development provides a base for the many community organizations he serves in his spare time.

Name: Jeffrey Paul Boaz

Business Name: Boaz Refrigeration & Appliance

Business Address: 502 Washington
Iowa Falls, IA 50126

Business Phone: (515) 648-3189

Type of Business: Major appliance sales and service

Jeffrey Boaz had always been mechanically inclined. His in-laws would save broken appliances for him to fix when he visited them in Iowa Falls, Iowa. He was always asked to make a few service calls to friends and neighbors, too. Obviously, he was filling a need that was not met in this town. Perhaps, he thought, the need was great enough to be a business opportunity for him.

Jeff started his refrigeration and appliance service business five days after moving to Iowa Falls, but not before he had done some careful study to see whether his new community needed his type of service. Through the local Chamber of Commerce, he surveyed Iowa Falls business people, restaurants, school personnel, and bankers. His survey revealed a 20- to 25- mile area without an adequate source of commercial refrigeration, air conditioning and heating service. He also found that, because they did not have adequate appliance repair service, people in this area lacked confidence in the service business. His findings suggested that Jeff could put his aptitudes and education to good use in his own business.

Jeff was 27 when he started his business. He had served in the military, where he developed diagnostic technique working as a physician's assistant. A two-year course in heating, air conditioning and refrigeration at Redwing Area Vo-Tech Institute brought Jeff up to date on current service methods and gave him the technical foundation for his business. High school bookkeeping courses prepared him for business record-keeping. Working as a hospital orderly during high school gave him communication skills. In the army, he also gained self confidence and organizational ability. He feels that all these attributes have helped him succeed in business.

Jeff's wife has been a partner in his business decisions. Together, the Boazes were as methodical about starting their business as they had been in surveying the need for it. They found help from the Small Business Administration (SBA). They found a local accountant who helped them set up an efficient accounting system. Their start-up financing was a small bank loan that was paid off within the first year.

To a community that was starved for a good appliance repair service, Jeff emphasized fast, reliable, professional service. He offers same-day or next-day repair, is available 'round the clock for emergencies, and keeps a full stock of repair parts on hand, so that most jobs don't need to wait for parts to arrive. He keeps flexible working hours for the convenience of households where no one is at home all day.

At first, Jeff's shop was his front porch. As business grew, he moved to a downtown location, hired a technician, an office helper, and then another technician to help service an area that had expanded from 10 to 30 miles. Hurdles were numerous. While vocational school had given Jeff a solid technical foundation, business skills were not taught. He had to learn from experience about pricing, inventory control, taxes and insurance, management of employees, and many other aspects of running a business.

Jeff characterizes himself as a serious, dedicated, conscientious student, and he thinks these qualities are what helped him succeed as a businessman. "I am totally devoted to my trade," he says. "I believe in three objectives: honest service, rapid service, and constantly improving my knowledge of my trade." He looks for these qualities in his employees and admits that finding good technicians is one of the biggest problems he faces.

His business is organized as a sole proprietorship. Annual sales are in the $200,000 range, and Jeff puts about half his profit back into the business.

Jeff's attitude toward failure is to use it as a learning opportunity. "We analyze each failure to be sure not to repeat it," he says. He likes being his own boss because it gives him the ability to direct and meet changes, as well as financial flexibility.

Section 3

CASE STUDY QUESTIONS

Jeffrey Paul Boaz

Appliance repair

1. What kinds of needs did Jeff take into consideration before he decided to start his refrigeration business?

2. What types of resources and experiences have contributed to the start-up of the business?

3. What does Jeff find particularly rewarding about his business?

4. What kind of attitude does Jeff have about being in business for himself and the failures that may result?

5. How have Jeff's personal values contributed to his successful business?

Jeffrey Paul Boaz

Answers:

1. Jeff surveyed Iowa Falls business people through the local Chamber of Commerce to determine what their refrigeration, air conditioning, and heating needs were.

2. Both Jeff's vocational and military experiences helped him start his business, providing him with technical skills, communication skills, and self-confidence. The Small Business Administration and a local accountant helped provide additional support.

3. He likes being his own boss because it allows him to direct and meet changes and it gives him financial flexibility.

4. Jeff uses failure as a learning opportunity that should not be repeated again.

5. His dedication to the appliance service business is reflected in flexible working hours for the customer's convenience and his around the clock emergency service. Jeff believes in fast, reliable, professional service.

Name: Johanna Michelle Carlson

Business Name: J & R Cafe and Bakery

Business Address: Route 1, Box 222
Superior, WI 54880

Business Phone: (715) 399-8730 or (715) 399-8837

Type of Business: Cafe, bakery, catering

Johanna Carlson started her own business because there were no full-time jobs available in the rural area outside Superior, Wisconsin, where she lived.

Johanna started baking and decorating cakes at the age of 15 to earn money. Her high school program at the Duluth Area Vocational Technical Institute was home economics. There she learned not only baking skills, but also how to work well with other people.

After high school, Johanna worked for a couple of bakeries before she decided to go out on her own. She saw the need for a bakery in her community. Says Johanna, "People who lived outside Superior had to drive to town for fresh bakery products."

Johanna was independent, had more than her share of common sense, and was determined to succeed. She leveled her savings, cashed in IRAs and CDs, obtained a bank loan, and opened her business at age 22.

She had a lot of help from her family. Proceeds from the sale of their home helped finance the business. Seven members now work for her, including her husband, who also handles the household responsibilities when she can't be at home. In addition, Johanna was helped and supported by the instructor from her vocational school and the president of her bank.

J & R's Cafe seats 50 people, serving hamburgers, sandwiches, and fried foods. The bakery delivers to grocery stores, restaurants, resorts, and gasoline stations. Catering can be handled at the cafe or away. Johanna says, "They can select the food or we will plan the menu ourselves." She feels that what separates her from others in her field is the pride she takes in her business--"It's my business signature," she states.

Running her own business has not been without problems for Johanna. Customers and employees alike felt free to criticize her, and many in the community devalued her business at first "because it was out in the country and they thought it would go nowhere." She has learned to deal with expense control, reduced payroll, menu changes, opening and closing schedules, waste control, overstocking, soaring insurance rates, and especially with employees: "family employees, bad employees, lazy employees, employees who want to know what I will do for them, but not what they can do for me."

Johanna is successful because she believes in confronting her problems head-on. When something fails she takes time to discover why, find the alternative solutions, and try again. Says Johanna, "I take failure, learn from it, put it in its proper perspective, and do it right the next time. I look at failure as one more challenge in life."

J & R Cafe and Bakery is a sole proprietorship. The 1985 sales were $150,000, and all profits were put back into the business.

Johanna says the everyday experiences in her high school program gave her the know-how, and, "Once I had that, no one could take it away." She describes herself as a hardworking, polite student who was curious about everything. In high school she says she did her own thing. "I didn't try to be a leader, and I know I wasn't a follower. I just wanted to be independent."

Section 3

CASE STUDY QUESTIONS

Johanna Michelle Carlson

J & R Cafe and Bakery

1. What factors helped Johanna determine the type of business she would go into?

2. Johanna's business satisfies several needs and desires. What are they?

3. What aspects of Johanna's character and personality help her in running her own business?

4. What are some of the employee problems Johanna has had to deal with?

5. How does she view failure?

Johanna Michelle Carlson

Answers:

1. Johanna decided to go into business because she really enjoyed baking and working with people. The lack of available full-time employment in her area was also a big determining factor.

2. Having a bakery in her community solved the problem of townspeople having to drive a distance to get fresh bakery products.

3. Johanna takes pride in her business and strives to make it successful by being independent, using common sense, and by preparing menus that people want.

4. She has had to deal with many small business start-up problems but especially employee related problems such as "family employees, bad employees, lazy employees, employees who want to know what I will do for them, but not what they can do for me."

5. Johanna sees failure as just one more challenge in life that she can learn and live by.

Name: Kelly M. Hedger

Business Name: Hedger Diving Enterprises

Business Address: 5456 Colerain Avenue
Cincinnati, OH 45223

Business Phone: (513) 541-7367

Type of Business: Scuba instruction, underwater salvage, major repair work, retail sales, rental

At the age of 16, Kelly Hedger knew he wanted his own business in the field of scuba diving. While working part-time during high school, he had learned not only the skills involved in professional diving, but also sound management practices. His interest in researching shipwrecks and river history helped shape his goal.

Kelly had been bored with traditional high school. At Oak Hills and Diamond Oaks, his interest in learning blossomed because he received "hands-on training instead of having my nose in a book," Kelly states. Oak Hills provided him with the part-time diving job, and machine shop at Diamond Oaks improved his mechanical abilities. He adapted many of those mechanical skills to his scuba diving business. In addition, Kelly feels that his "instructors at Diamond Oaks were an important influence. They showed me how to work well with other people."

Kelly researched the Cincinnati area and found a need for a more professional diving firm with greater expertise and a thorough knowledge of local waters. He started his salvage business at the age of 19 and opened his first retail store when he was 21, with the help of his father and several friends.

The majority of Kelly's financial support came from his father, Edward Hedger, who now is an employee of Hedger Diving. Says Kelly, "My father was a driving force, backing me financially and donating many long hours of work."

Kelly's youth appeared at first to be a handicap to achieving credibility with bankers, suppliers, and potential clients. He met this challenge head on, by using mass advertising to reach new clients, other professional divers, and the nonprofessional diving sector. Now Kelly sees his youth as a business advantage. Although his staff is relatively young, Kelly is convinced they represent the most talented people in the industry. "I believe our youth allows us to be more aggressive in the field," he says.

Kelly's business is a sole proprietorship. He likes being his own boss and being in control of the day-to-day decisions. "I have worked with partners in the past," he says, "but find they do not allow me the 100 percent control of the business that I prefer." He started with two part-time employees; now he employs eight part-time employees and one full-time worker. His sales for 1985 totaled $100,000, and he put 85 percent of the profit back into the business.

Working seven days a week leaves Kelly little leisure. The little spare time he does have Kelly likes to spend at home with his wife, Cindy. He has been forced to give up most of his social activities and to become more responsible. However, he enjoys the rewards of owning a thriving business. He believes the sacrifice is worth the satisfaction of "being in control of day-to-day activities and watching the business succeed."

From the outset, Kelly based his business on two values he considers paramount: treating his customers fairly and with respect, and making a contribution to the diving industry. He has steadfastly maintained those values, and his Hedger Diving Enterprises is making a splash in the diving industry. It has been the subject of feature articles in one trade magazine and two newspapers.

As for his goal of rapid financial growth, Kelly expects to achieve that by expanding his salvage business and opening more retail stores.

Section 3

CASE STUDY QUESTIONS

Kelly M. Hedger

Salvage diving and retail sales

1. How did Kelly's personal interest and hobbies turn into an exciting diving business?

2. What kinds of educational and personal experiences have provided Kelly with the job skills he needed to develop his business?

3. How did Kelly's knowledge of the competition help influence his decision to start a business of his own?

4. How has Kelly's age and the age of his staff proved to be both a help and a hindrance?

5. What influence did the high school work program have on the type of business Kelly set up?

Kelly M. Hedger

Answers:

1. Kelly's interests turned into a business because the Cincinnati area needed a professional diving firm that had a solid knowledge of local waters.

2. His job skills were initially developed through a part-time diving job and machine shop training at Diamond Oaks. His instructors at Diamond Oaks also helped him learn how to work with people.

3. When he researched the Cincinnati area, he found that there was not any strong competition.

4. At first it seemed to be a hindrance since it was difficult to establish credibility with bankers, suppliers, and potential clients. Now, he believes that the relative youth of his staff allows them to be more aggressive competitors.

5. His high school work program provided skills training that sparked his interest in the diving and salvage business.

Name: Mark Kline

Business Name: Center Hub Corp., Et. Al.

Business Address: 3701 South Santa Fe Drive
Englewood, CO 80110

Business Phone: (303) 761-8758

Type of Business: Multi-faceted automotive services

Mark Kline ran contrary to accepted business traditions when he founded his business on negatives. He knew that automotive businesses were more tolerated than welcomed by the communities they served. They lacked professionalism, cleanliness, concern for customers, modernization, and sound business practices.

Mark learned his skills at Bemidji Area Vocational School in Minnesota, where he studied auto mechanics. With his acquired automotive service experience and a small savings account, he opened his own business based on his customers' wants and needs. Says Mark, "We sell psychology first and repairs second. Our customer approach is highly personal and highly professional."

Mark identified his potential customers through a great deal of research, using a computer to obtain a listing of those who fit his customer profile.

Mark's businesses surpass those of other because they are professional, are visually attractive in their respective communities, treat the customer with much respect, and perform high quality work. He is adamant about treating his employees well. Mark was inspired by a co-worker who sadly recalled "the brief recognition he received for his many years of loyality" to another company.

With Mark, his customers and his employees come first, followed closely by excellent service. Says Mark, "Resolving someone's problems always brings profit if it is carefully planned." His biggest rewards in owning his own business are in finally being able to please customers, having happyoyees, and being able to realize his own potential.

Mark's various businesses operate as corporations, partnerships, and sole proprietorships, as individual situations dictate. He started with one employee and now has 30. Annual sales for 1985 amounted to $500,000, with all profits put back into the business.

For the future, Mark wants to go nationwide. He sees a need for modernization, high-tech facilities, and customer good will.

Mark foresees a complete overhauling of the industry. He states, "I plan on changing the entire automotive field into a professional, respected industry."

His various businesses include automotive repair, parts sales, automotive real estate complex development, and auto leasing. Mark owes his success to his determination, hard work, careful planning, a sense of humor to get him through trying times, and his insistence on high quality service and parts. He says, "I won't tolerate poor ethics or work."

As a youth he was "always different," and felt like an outsider. Mark admits to being bored and unchallenged as he went through school. He says he is successful now because he studies, plans, talks, reads, and listens-listens-listens.

Section 3

CASE STUDY QUESTIONS

Mark Kline

Center Hub Corporation

1. What did Mark dislike about the automotive service business that made him resolve to run his own business differently?

2. What are the main differences between Mark's business and the average auto repair service?

3. What are Mark's long-range plans for his business? What does he see as his potential market?

4. Rank the following in order of what you think are Mark's business priorities: employees, customers, cars, profits.

5. If profit, to Mark, is not the most important result of being in business, what is? (May be more than one thing.)

Mark Kline

Answers:

1. Mark noted that the automotive businesses in his area seemed to be tolerated rather than welcomed by the community. He felt that they lacked professionalism, cleanliness, concern for customers, modern facilities, and did not employ sound business practices.

2. Mark's business is based on a personal approach, catering to potential customers that fit a certain profile. His facilities are also visually attractive and modern.

3. In the future, he wants to go nationwide. He wants to provide auto repairs and parts, auto leasing, and automotive real estate complex development.

4. Customers, employees, cars, profits.

5. Pleasing customers, having happy employees, and being able to realize his own potential.

Name: Michael H. Leafer

Business Name: MHL Protection Systems, Inc.

Business Address: 2 Bridal Path
Canton, MA 02021

Business Phone: (617) 961-2626

Type of Business: Security company

Michael Leafer describes himself as a born entrepreneur. He always had been independent and hard working; he had self-confidence and drive; and he was talented in selling, engineering, mechanics, electronics, and planning. Says Michael, "I love the excitement and adventure of business and being master of my own destiny."

Michael attended Blue Hills Regional Vocational Technical School in Canton, Massachusetts, in the electronics program. Says Michael, "I cannot overstate its importance in my professional life. My electronics training at Blue Hills Regional was the most significant educational experience of my life."

Following graduation, he worked for a large security company. He enjoyed the business itself and was intrigued by its future, but felt his creativity and enthusiasm were being wasted. "I needed to see my efforts produce an immediate impact," he states. He worked there long enough to learn the business, then, at age 22, he started his own.

Michael was aware of the risk involved, but felt that hard work and careful planning would overcome any problems. "I have always welcomed a challenge." He feels that "if you learn from mistakes--and mistakes are inevitable--then you haven't failed."

He knew the need for security was there. "Watching the local news every night gave me all the incentive I needed to get into the field." With no financial help, Michael started working alone out of the trunk of his car installing alarms in automobiles. MHL now has 12 full-time employees for his retail/wholesale company, and several locations in the Boston area.

Michael knew that, as a small business just starting up, he would be competing with established, thriving companies and had to provide something unique. Says Michael, "After careful research, I decided to import a particular alarm system from overseas that I knew no other company carried." The results have been overwhelming.

Last year MHL grossed over $500,000 in sales, with 100 percent reinvested in the business. In order to protect his personal assets, Michael operates his business as a corporation.

He gives much credit for his success to his vocational training. "More than anything, vocational training gave me confidence. For the first time I could see, and heard from others, how skilled I was with my hands."

Michael receives great personal satisfaction from watching his business grow and prosper. "I am constantly exploring new marketing programs to increase business. My goal is to *feel* successful, not just *be* successful." Although he can't remember what spare time used to be, he enjoys his increased financial security. And, for Michael, his business provides another reward he cherishes: "I don't have to take orders from anyone."

Section 3

CASE STUDY QUESTIONS

Michael H. Leafer

MHL Protection Systems, Inc.

1. What type of business organization has Michael Leafer chosen, and why?

2. Describe the "entrepreneurial spirit" as exemplified in Michael Leafer. How did this lead to his going into business for himself?

3. How is MHL Protection Systems unique?

4. What does Michael think about failure?

5. How did Michael choose the security business? How did he prepare for it?

Michael H. Leafer

Answers:

1. He has chosen to operate his business as a corporation in order to protect his personal assets.

2. Michael sees himself as a "born entrepreneur." He is independent, hard working, self-confident and talented in selling, engineering, mechanics, electronics, and planning. He loves the excitement and adventure of business and "being master of my own destiny."

3. MHL Protection Systems are imported from overseas and are carried by no other company according to Michael.

4. Michael believes that mistakes and failures are inevitable, but, if you learn from them, "then you haven't failed."

5. Because of competition with established companies, Michael knew that he would need to provide a unique product/service and after careful research decided to import a security system which would provide a needed help to the community.

Name: Denise A. Maccianti

Business Name: The Rocking Chair Emporium

Business Address: 123 North Glassell
Orange, CA 92666

Business Phone: (714) 633-5206

Type of Business: Turn-of-the-century soda fountain and gift shop

Denise Maccianti always knew she would have her own business one day. Her mother started a business 22 years ago, and Denise watched it grow, aware of the hard work and personal sacrifice required.

Denise's first work experience was selling for a dress shop through her regional occupational program at Orange High School, Orange, California. Says Denise, "I liked it because that was real life. I was on my own and responsible for my own actions."

After high school, Denise attended the Fashion Institute of Design and Merchandising in Los Angeles, where she majored in merchandising. She learned valuable business basics there: Selling, accounting, inventory control, computer usage, cash flow systems, and how to work with different kinds of people. Especially important, she was taught where to obtain financing for starting a business.

Denise states, "Even though I studied fashion merchandising in college, the basic steps for merchandising a product are the same. Whether it's clothing or ice cream, the objective is to sell it."

When Denise was 20, she started planning for her business. She loves ice cream and saw a need in Orange for an ice cream/gift shop. She conducted her own research by sitting outside the site she had chosen, taking notes on who was walking by and whom she wished to attract with her merchandise. She also read various demographic studies and took them into consideration.

With the help of an investment company and loans from her mother and a bank, Denise opened The Rocking Chair Emporium on her 21st birthday. She had the qualities necessary for starting a business--she was independent, creative, outgoing, goal-oriented, and determined. Says Denise, "I can always smile when things are going wrong." All those qualities were brought into play when Denise developed the theme for her shop.

Because the store is located in a community that focuses on "years gone by," Denise patterned her shop after the Victorian Era. The soda fountain (circa 1900) is wood and marble, with a row of turn-of-the-century fountain stools, and is served by the fondly remembered "soda jerks."

Even Denise's employees are unusual. They dress in 19th century costumes, and "all are aspiring actors, singers, dancers, or performers of some sort . . . . While serving ice cream, they think nothing of joining together in song or dance for the customers. And the customers love it.!" The gift shop carries greeting cards, unusual gift items, candy, antiques, "and, of course, rocking chairs." Denise feels that her shop brings back memories for the older generation and lets younger generations experience the atmosphere and style of bygone days.

The Rocking Chair Emporium is a corporation with 10 employees. While it was open for only 4 1/2 months in 1985, it recorded $45,000 in sales, with 25 percent of profits put back into the business.

Denise plans to open a full-service delicatessen this year and will add a balloon delivery service in 1987. Her financial goals are to increase her profit margin and earn back her investment in five to seven years.

Section 3

CASE STUDY QUESTIONS

Denise A. Maccianti

The Rocking Chair Emporium

1. Denise Maccianti's line of merchandise is unusual, to say the least. Why does it "fit" in her community?

2. How did Denise go about surveying the market for her unusual business?

3. Describe the atmosphere of The Rocking Chair Emporium. What special effects create this atmosphere?

4. In what ways does Denise plan to expand her business?

5. How did family background, work experience, education, and personal qualities each contribute to Denise's success?

Denise A. Maccianti

Answers:

1. Denise's ice cream shop is located in a community that focuses on "years gone by." Thus, her Victorian era store, complete with "soda jerks," compliments her community.

2. She conducted her own market research by sitting outside the site she had chosen, taking notes on who walked by and whom she wished to attract with her merchandise. Denise also read various demographic studies and took them into consideration.

3. The atmosphere of the "Rocking Chair Emporium" is one of by gone days. Some of the special effects include, turn-of-the-century fountain stools, employees in 19th century costumes, unusual gift items, and, of course, rocking chairs.

4. Denise will expand her business this year by opening a full-service delicatessen and balloon delivery service in 1987.

5. Her success can be attributed to watching and learning from her mother's business. As a result she used her first work experience, selling, to guide her coursework. She learned that the basic steps for merchandising a product were the same, whether it was ice cream or clothing. Denise had several qualities necessary for starting a business including independence, creativity, goal orientation, and determination.

Name: Anna T. McLaughlin

Business Name: Professional Plant Care Service

Business Address: 1346 Old River Road
Manville, RI 02838

Business Phone: (401) 765-3606 or (401) 333-8748

Type of Business: Interior landscaping

Anna McLaughlin says, "There would be no business without my vocational education. It gave me the knowledge of horticulture and showed me how to work with my hands--to get dirty."

While in high school at Davies Vocational Technical School, Lincoln, Rhode Island, Anna majored in horticulture. Her training included plant identification, plant requirements, ornamental horticulture, plant and soil sciences, pest control, and greenhouse management. She developed self-confidence and assertiveness as her knowledge grew, and, through her involvement with Future Farmers of America (FFA), she learned leadership.

Anna combined her horticultural skills with an artistic nature in selecting the type of business to open. Says Anna, "I saw many people in offices, banks, and restaurants creating their own indoor gardens, often losing their costly purchases." She noted a need for professional care of indoor plants while working for a wholesale florist, where customers often asked her questions about plant selection and care.

At age 24, Anna started her own business. She states, "I couldn't find the kind of job I wanted. I knew interior landscaping was challenging, and I believed I could to the job." She targeted her potential customers as new businesses, existing businesses with neglected plants, and new public buildings, many of which "are built with the addition of indoor plants in mind." Anna began her business at night while working for someone else. She used money from her job to purchase the van needed for transporting plants.

It wasn't easy for Anna to establish a reputation in the field, but she persevered. She says, "I believe in doing the best I can and having a positive attitude. I have faith in myself."

Professional Plant Care Service is a full-service interior landscaping firm. Anna designs interior landscapes and selects the plants based on light, temperature, water requirements, durability and visual effect. She then services the plants weekly, guaranteeing their health and appearance.

Anna feels that being a small business gives her an edge on competition. "I can oversee all major work and devote more time and care to each job." Anna proudly states that all of her employees are students from her high school. She trains them for a career and hopes they, in turn, will do the same for someone else one day.

Professional Plant Care Service is a sole proprietorship employing five people. Sales for 1985 approached $21,000, with 60 percent of profits reinvested in the business.

In the future, Anna hopes to double her business while maintaining the personal service she provides. She says, "I want to hire enough people to oversee jobs that the business can run itself."

Anna enjoys the independence and sense of accomplishment that come with owning her own company. "I love it when someone says, 'That's beautiful!' and keeping it that way is my job--a challenge."

Section 3

CASE STUDY QUESTIONS

Anna T. McLaughlin

Professional Plant Care Service

1. Where did Anna McLaughlin get the idea for her business? How did she target potential customers?

2. What are the necessary skills in her business, and how did she acquire them?

3. Owning one's own business involves total responsibility. Anna's responsibility does not end with choosing and planting the plants. What else does it entail and how does she fulfill it?

4. To Anna, what are the advantages of being a small business?

5. What are Anna's business goals?

Anna T. McLaughlin

Answers:

1. Anna was able to select her business based upon the horticultural skills she obtained in school and an observation that people who liked to decorate their offices with plants did not always know how to care for them.

2. She was able to acquire the necessary plant-care skills such as ornamental horticulture, plant and soil science, pest control, and greenhouse management from her vocational school. She was also able to develop self-confidence, assertiveness, and leadership through her involvement with Future Farmers of America (FFA).

3. Anna's full-service interior landscaping firm entails designing, selecting, and servicing the plants weekly. She guarantees the plant health and appearance.

4. Anna believes she has an edge on her competition because she can personally oversee all the major work and devote a lot more time and care to each job.

5. Anna hopes to double her business and at the same time maintain the personal service she provides by hiring enough people so that the shop will run itself.

Name:	Michael J. Olen
Business Name:	O'Lyn Roofing Contractors, Inc.
Business Address:	30 Elm Street Dedham, MA 02026
Business Phone:	(617) 329-6099
Type of Business:	Roofing contractor

Michael Olen started in business because he wanted to be his own boss. His father owns a newsstand and, while Michael saw the long hours and hard work involved, he realized his father "was his own man and not responsible to anyone but himself."

Michael received his occupational training in high school at Blue Hills Regional Technical School, Canton, Massachusetts, in the structural woodworking program. This training provided what he needed to start his own business. Says Michael, "My carpentry skills began my business and helped me expand into roofing. All the principles are similar. If I hadn't had these skills, I might never have been able to expand at all."

During high school, Michael worked for several carpentry and construction companies. Watching their operations made him believe he could do better. After graduation, Michael found the field of carpentry saturated, while there was great demand for specialized roofing. In his area there are many old homes with roofs of slate, copper, or Spanish tile. Michael talked with owners to determine their needs and concerns, then decided to specialize in Victorian homes. He started his business at age 18 with personal savings.

Michael's roofing business can be difficult because of the height of Victorian roofs and the material they are made of; also finding and keeping reliable employees can be a challenge. However, Michael insists on "maintaining the strict standards I have set for myself and my company." He pays a great deal of attention to the small details of a roof and takes special care of the homeowners' properties. He states, "We add the personal touches that most roofers ignore, such as protecting the sides of homes and the shrubs with tarpaulins."

O'Lyn Roofing Contractors started as a sole proprietorship, then incorporated in 1984 on the advice of attorneys and accountants. Michael had four employees at the beginning and now has 20.

In starting his business he says the hardest thing to overcome was his youth. "Since I started directly out of high school, I found it difficult to sell to customers and for them to believe a person my age could do the job." Now he has more self-confidence so this is no longer a problem.

Says Michael, "My business is one of my highest priorities." He puts in 14 to 16 hours a day, seven days a week, and works as hard to give his customers 100 percent satisfaction as he does selling the job. He says, "I do my customers' work the way I would want it done on my home."

Michael is continually looking ahead in business. He hopes to increase his profit each year by 10 to 20 percent. In the future, he plans to expand into replacement doors and windows, real estate, and perhaps a franchise. Says Michael, "The sky's the limit."

Section 3

CASE STUDY QUESTIONS

Michael J. Olen

O'Lyn Roofing Contractors, Inc.

1. How is Michael's business related to his vocational training?

2. Why didn't he start a carpentry or construction company?

3. What are the advantages of specializing, in a business like Michael's?

4. What observations led him to select his specialty?

5. What other practices make O'Lyn Roofing different from its competitors?

Michael J. Olen

Answers:

1. Michael received occupational training in his high school Structural Woodworking program. He later expanded into roofing.

2. There was little demand for carpentry companies and a great demand for specialized roofing.

3. One advantage of specializing in this business was that Michael could be his own boss and still use his carpentry skills by simply expanding them into roofing.

4. There were many homes in his area with slate roofs that needed specialized work done on them. Michael also talked with the owners before he decided to specialize in Victorian homes.

5. O'Lyn Roofing is able to pay a great deal of attention to the small details of a roof and at the same time take special care of the homeowners' properties.

Name: Gordon T. Sconberg

Business Name: Midwest Technical Service

Business Address: 107 NE 4th Avenue
Austin, MN 55912

Business Phone: (507) 437-4874

Type of Business: Drafting and design, technical writing illustrating, printing

Gordon Sconberg was motivated to start his own business by instructors at Albert Lea Vocational Technical Institute, Albert Lea, Minnesota, where he majored in mechanical drafting. Says Gordon, "I often wanted to reach their level of ability, even to go beyond." He feels the school provided him with an excellent framework of education, not only in drafting, but also in the area of personal communication.

Gordon worked several years for other firms before he decided to start his own business as a freelance draftsman. He liked Austin as a location and noted that local businesses were forced to seek seasonal or overflow draftsmen in larger cities nearby and to pay metropolitan-scale rates for the work.

Using an area manufacturers' directory and his business contacts from prior jobs, Gordon began building his customer list. He says, "I was in the contract drafting field for many years, so I knew who my potential clients were." Gordon was able to expand as his business grew, adding more employees with the skills necessary for branching out into technical writing, illustration, graphics, art and camera work, computer operations, and finally printing. "Thus," he states, "we were able to follow projects through from documentation to final printing." He offers his customers local rates and more personal contact than would be provided by his out-of-town competition.

Gordon's greatest problems have been cash flow and equipment breakdown. He says, "Cash flow is the biggest one because there was very little cash invested upon starting the business, and equipment breakdown has resulted in down-time on several occasions. Keeping up the production level of drafting and printing is extremely important."

Midwest Technical Service is a sole proprietorship with three employees and the addition of three or four more expected soon.

Gordon enjoys being his own boss and making his own decisions. "I am forever seeking ways to expand current services and create new ones." Venturing into related areas is much more exciting to me than remaining active in the day-to-day work."

For the future, Gordon envisions 15 full-time employees and a bank of free lancers. He wants to keep his equipment up to date, be able to pay his employees better-than-average wages, and to raise his own income significantly.

Gordon credits his success to never being completely satisfied. "Success to me is achieving a goal. When I begin to feel I have achieved this goal, I already have revised it in order to attain a higher one."

Section 3

CASE STUDY QUESTIONS

Gordon T. Sconberg

Midwest Technical Service

1. How did Gordon Sconberg choose the location for his company?

2. He started out as a draftsman. What related services does he now offer?

3. What are some of the business problems he faces? Can you suggest ways he might prevent or solve these problems?

4. What are some of Gordon's business goals?

5. How does he set goals, and how does he feel they contribute to his success?

Gordon R. Sconberg

Answers:

1. Gordon chose a location where he knew the local businessmen sought the help of draftsmen in other cities to cover their needs.

2. He also offers technical writing, illustration, graphics, art and camera work, computer operations, and printing.

3. Gordon faces cash flow and equipment breakdown problems. He might want to consider taking out a loan to purchase up to date equipment.

4. His business goals include adding 15 full-time employees as well as keeping his equipment up to date and paying competitive salaries to both himself and his workers.

5. Once Gordon set a goal and achieved it, he raised it immediately to a higher goal to attain.

Name: Jeffrey T. Stone

Business Name: Heritage Restoration

Business Address: 32 East Fillmore
St. Paul, MN 55107

Business Phone: (612) 224-1618

Type of Business: Furniture refinishing, repair, and upholstery

Jeff Stone's business started as a summer job the year he turned 16 and wanted some extra spending money. His father offered him the chance to make some stacking tables, under contract, that the family would use as Christmas gifts.

Jeff spent much of that summer making tables. He also made some locker room benches for the racquetball club to which the family belonged. "After completing the benches, I noticed the club had some tables that needed refinishing," he said. "I had never had refinishing, and I had no idea how to start, but I offered to do it and they let me."

The table refinishing was successful enough to attract the attention of another club member who wanted a desk done. At that point Jeff chose refinishing as an area in his business efforts, because it was a custome service and required low overhead.

Before long, there was enough work that Jeff was able to share work with his friends. Rather than being employees, his friends as well as Jeff are part of an association of sole proprietors operating under one name with a franchise agreement. This enables each person who works for the firm to share in the profits according to the time he puts in. Says Jeff, "This system provides an incentive for each individual to work harder because it forces him to be results-oriented rather than wage-oriented."

When it came to education, according to Jeff, "I guess I did things backward. I started my business first and then went to college." Jeff is currently attending Inver Hills Community College, majoring in small business management, where he is learning the important principles of marketing technique, sales, law, and management. He states, "Many of my sales and administrative skills came from this program."

Heritage Restorations now has 12 members in its association. Sales for 1985 reached $39,000. Because the business is labor-intensive, only 14 percent of the profits had to be put back into the company.

Founding the business has given Jeff much satisfaction. "I can work as much or as little as I want," he says, "without having to ask my boss. When I work extra hard and get some big contracts I don't get just a pat on the back, I get to reap the results."

One of Jeff's goals is to make the list of the 500 fastest growing privately-held companies in the nation. His has grown 400 percent in one year, and he wants to continue at that rate for at least four more years.

He currently is handling on-site refinishing of cabinets, woodwork, and built-in furnishings, and wants to expand into new kitchen layout and design, later into design of whole houses and buildings.

As for the restoration, he plans to franchise it, using his current business structure as a basis. Says Jeff, "We are going to sell not only the name and supplies, but also the woodworking skills, management techniques, advertising information, and everything else it takes to run a successful refinishing business."

Section 3

CASE STUDY QUESTIONS

Jeffrey T. Stone

Heritage Restorations

1. Why did Jeffrey Stone start a business of his own?

2. How did he decide what kind of business he would start and when did it become a "business" instead of a summer job?

3. Describe the business organization of Heritage Restorations. How is it unique and what are its advantages?

4. As far as education, Jeff says he "did things backward." What were the sources of his business training?

5. How has Heritage Restorations grown, and what are Jeff's plans for continued growth?

Jeffrey T. Stone

Answers:

1. Jeff started a business of his own because he wanted extra spending money.

2. When he first started out, Jeff made furniture during the summer when he was asked to do some refinishing work. Refinishing seemed like the way to go because it was a custom service and required low overhead.

3. Heritage Restorations is organized so that each 'worker' is an independent contractor of sole proprietors operating under one name. Each person shares in the profits according to the time he puts in.

4. Jeff started his business first then he attended community college, majoring in business management.

5. Heritage Restorations has grown 400 percent in one year and Jeff wants it to continue to expand that rate.

Name: Mark Suttle

Business Name: Suttle's Self Serve Car Wash

Business Address: 5160 West Broadway
Crystal, MN 55429

Business Phone: (612) 533-0508

Type of Business: Indoor self serve car wash

Even in grade school, Mark Suttle realized that "anyone could be a fireman but to be fire chief you had to achieve more than anyone else."

Mark says he was "no whiz kid" as a student. Yet he readily mastered business principles in the marketing and retail management program at Hennepin Technical Center, Eden Prairie, Minnesota. A stint in the home office of Perkins Restaurants provided a close-up look at the retail world.

Above all, Mark knew himself well enough to know that he wanted to be an entrepreneur, and that his chances of success were good. "I have a knack for making money on my own," Mark says. Also, he manages time well, deals easily with customers and employees, and can present his case very convincingly to bankers and others in the business world.

Mark went into business when he was 24. He knew the risks but also knew that "one must strive to make the risk a calculated one."

This he did by carefully studying the field he intended to enter. He knew that his community, Crystal, Minnesota, did not have an up to date self serve car wash. He visited other car washes and noticed their shortcomings. "They require customers to fiddle with coins and usually have no employees around to help."

Self serve car washes suffered from a poor image. Mark set about to improve that image by doing things differently. His self serve car wash has 16 bays in a heated building (making it the world's largest). Instead of putting coins in a meter, customers receive a ticket and pay for the time they use the bay. Equipment is clean and up to date. And there are always employees present to take payments and explain how things work.

Crystal is a predominantly blue-collar community where people like to wash their own cars. Mark targeted his service to 20-60-year-old customers with better-than-average incomes.

He credits his vocational education and his experience with the Perkins organization for giving him the know-how to start his own business. The marketing program at Hennepin Technical Center included business basics like advertising, selling, and buying. DECA competitions, internships, and public speaking experiences were particularly valuable, he thinks.

In addition, Mark's grandmother owned a small convenience store and his father was an accountant and business consultant. Mark drew upon their experience and advice. Still, he would like to have learned more writing and bookkeeping skills.

One of the problems in Mark's business is that it is seasonal. He must allocate funds carefully to be sure they last through the slow months.

For start-up financing, Mark used bank loans and assets of his own, including stocks and bonds. He began with three employees and now has 11. Last year, his gross sales were more than $500,000, and he put 15 percent of his profits back into the business.

Suttle's Self Serve Car Wash has achieved 20 to 30 percent growth in each of its first five years. Mark's goal is to keep on growing at this rate, a goal he plans to reach by offering new items, keeping his equipment "state-of-the-art," and possibly expanding.

Mark's entrepreneurship style is in keeping with his personality. He likes money and the opportunity to continually improve his income. He "likes to call the shots." He's not afraid of long hours, and in fact does not count the hours he puts in to make his car wash a success.

Section 3

CASE STUDY QUESTIONS

Mark Suttle

Suttle's Self Serve Car Wash

1. What did Mark Suttle observe about the car wash industry and his community that helped him determine the kind of business he would start?

2. Describe Mark's style of entrepreneurship.

3. What is different about Suttle's Self Serve Car Wash?

4. What is Mark's main business goal and how does he plan to reach it?

5. Name one of the problems Mark must deal with in the car wash business.

Mark Suttle

Answers:

1. Mark saw that there were no up-to-date self-serve car washes in the community. There were only out-of-date coin operated car washes with no service personnel available to help with any problems or questions that might arise.

2. Mark enjoys making money and the opportunities to increase his income that owning his own business provide.

3. He has 16 bays in a heated building where the customer is given a ticket and pays for the time he uses the bay. He has clean, modern equipment, and employees are always available to help with any questions.

4. His goal is to continue growing by 20 to 30 percent per year. Offering new items, keeping modern equipment, and possibly expanding are the ways in which he plans to achieve his goal.

5. He has to budget his money carefully to see him through a seasonal slow period every year.

Name: Haruko Westcott

Business Name: HARU Oriental Creations

Business Address: 4024 North Mesa
El Paso, TX 79902

Business Phone: (505) 533-4267

Type of Business: Japanese import shop

"America, the land of opportunity" is not just a phrase to Haruko Westcott. In this country, Haruko finds much more freedom to "do her own thing" than she did in her native Japan.

Haruko's "own thing" is operating a Japanese gift shop in a popular El Paso Japanese restaurant. Since the restaurant's clientele are her potential customers, she must tailor her hours of operation to the restaurant business.

Most days the shop is open from 6 to 11 p.m. In busier buying seasons, such as the weeks before Christmas, Haruko opens her shop from noon to 2 p.m. for the lunch trade, also.

One of the first changes in her life-style was that she stayed up late and slept late, because of her business hours. Instead of considering this a drawback, Haruko considers it one of the benefits of being her own boss--not having to feel guilty if she doesn't keep exactly the same hours as her co-workers.

"I don't have the pressure or stress that I would if I was working for someone else," Haruko says. "Everything is at my pace, so I don't drain as much energy as I used to." When she worked as a secretary, she says, she had a lot of aches and pains. Those have disappeared now that she has her own business.

In Yokohama schools, Haruko was a good student, earning the equivalent of A's and B's in American schools. She attended an Engligh-speaking business college in Yokohama, learning shorthand and secretarial skills. Positions requiring shorthand in English were among the highest-paying jobs open to Japanese women. People with Haruko's qualifications were so much in demand that Haruko went into the secretarial field "almost without thinking." She later regretted her choice. "I felt like I was wasting time doing something that I really didn't like," she says.

She came to this country because she married an American. The marriage ended, but Haruko stayed on and furthered her education with business courses in San Diego and Seattle and Spanish at the University of Mexico.

Now, in addition to running her gift shop, she's taking courses in business administration at El Paso Community College.

The gift shop idea grew out of a job as a tour guide in Mexico. Haruko would take tourists to the open markets of Japan and Singapore, where she watched international buyers at work. "I saw a lot of merchandise, inexpensive things, and I think that's the moment that I really wanted to have my own shop," she says.

Though there are other retail outlets for oriental goods in El Paso, Haruko's is the only shop selling exclusively Japanese products. Haruko stocked the store using her own savings.

Haruko is good at selling. She likes people. She thinks good public relations is the key to success in sales. Despite some early advice to the contrary, Haruko tends to trust people, and says she has never been let down.

Coming from an environment where women traditionally do not own businesses, Haruko feels that women have equal opportunity with men in America. In fact, she says, being a woman has advantages in her business.

El Paso is very near Mexico, and part of her clientele is Mexican. With the devaluation of the peso and the poor state of the Mexican economy, she now feels that she is not making as much money as she would like to.

So she is opening a new and different business based on principles she learned in a marketing class: the the strongest buying motives are linked to very basic human drives, like sex or fear of death. Haruko's new venture is called "Esthetics." It will be a skin care and body care salon.

The motive to buy Japanese gifts is pale in comparison to the desire to look and feel younger, Haruko realizes. "I thought that if I get into something that's really motivating people," Haruko says, "and if I get really expert in that line, then I will be much more successful.

"And I want to become successful," she says.

Section 3

CASE STUDY QUESTIONS

Haruko Westcott

HARU Oriental Creations

1. What motivated Haruko to go into the import gift business?

2. What advantages does it have for her over her former career as a secretary?

3. Haruko admits that making money is not currently the principal reward of being in business for herself. What kinds of rewards and satisfaction is she receiving?

4. Where did she derive her idea for her new business? Do you agree?

5. Debate whether Haruko's chances of success are better in the skin care or the imported gift business.

Haruko Westcott

Answers:

1. While Haruko was a tour guide in Mexico, she watched other international buyers selling their wares. This motivated her to own her own shop.

2. As a secretary, Haruko was under a lot of pressure and stress, working for someone else. Now "everything" is at her own pace.

3. She likes people and enjoys selling. Other rewards include setting her own hours and being more relaxed.

4. Haruko's new business idea came out of a marketing class that suggested that buying motives are linked to very basic human drives such as sex or fear of death. Do you agree?

5. There are arguments for both ideas.

Young Entrepreneur Case Studies

Section 4

HOW CAN I PREPARE TO BE MY OWN BOSS?

o	Vince Ghiloni	Ohio	Ghiloni Woodwork Construction Co.
o	Kay (Casey) Hassinger	Minnesota	Hassinger Trucking
o	T. Bruce Hilliard	Georgia	Bruce's and the Balloonery
o	Lane Craig	Missouri	The Brothers Fish and Pet Shop
o	DeAlva Gratz Oakes	Tennessee	Alma's
o	Sheila Patterson	Tennessee	Patterson Limited
o	Ralph Scopa, Jr.	Massachusetts	Scopa Construction Company
o	Clarence & Clifford Smith	West Virginia	Arvilla Well Service
o	B. John Smith	Tennessee	Appalachian Chair Company
o	Patricia Ann Stewart	Illinois	Chinoo's
o	Dale E. Wynn	Ohio	DWyco Office Products

Name: Vince Ghiloni

Business Name: Ghiloni Woodwork Construction Co.

Business Address: 114 North Buena Vista #6
Newark, OH 43055

Business Phone: (614) 345-6334

Type of Business: Construction company

Vince Ghiloni started his own business at age 19. He had worked in construction during high school and, after graduation, for a custom builder. While he was laid off during the winter months, a developer asked him to do interior finish work on his new homes as a sub-contractor, and Vince was ready. Says Vince, "I felt all my construction skills were being used by my employer. It was time that I personally got the recognition for my work."

At an early age, Vince was taught by his parents to be the very best in whatever he did. He learned his craft in high school at Licking County Joint Vocational School in Newark, Ohio. Vince thinks his vocational training not only taught him how to build, but also put him four to five years ahead of those who went to a traditional high school. "I received technical training that many of my competitors never had. The schooling covered the latest products and techniques."

When Ghiloni Woodwork Construction Company began, Vince was its only employee. While working for other companies, he had started purchasing equipment he would need for his own business, so no start-up capital was needed. Vince currently employs six people, and his work includes building, remodeling, and renovating homes, commercial office buildings, apartment complexes, and factories.

Because of his respect for the fine vocational training he received, Vince finds his business unique in that he hires only vocational school graduates. Vince states, "I feel this saves me a great deal of training time, and, having been there myself, I know what to expect from a new graduate."

Vince holds his employees in high regard, working alongside them every day. "I don't expect them to do anything I wouldn't do myself." He tries to be as fair as possible to all involved in his business. Says Vince, "My fellow employees are not just people who work for me, they are my friends and a genuine part of the company."

The largest hurdle Vince had to overcome was his lack of business training. He knew nothing about accounting, taxes, billing, advertising, or management. He found the best way to learn these was by asking others in construction and by reading. Vince states, "I have been in business nearly nine years and have been able to master these skills only in the last three years."

Vince continues to be involved in the vocational school that gave him so much. He is a member of the local advisory committee, where he can inform instructors as to what the local contractors require in new employees, and he is a well received speaker at workshops and conferences.

Vince compares entrepreneurship to being an American pioneer. "Each day brings something new, something unexpected, and problems to solve. As the boss, I have these problems--they are my responsibility."

Section 4

CASE STUDY QUESTIONS

Vince Ghiloni

Ghiloni Woodwork Construction Company

1. What business advantages did Vince gain in vocational school?

2. Name the ways in which vocational education continues to be important in Vince's life and career.

3. Describe Vince's attitude toward his employees.

4. What makes Ghiloni Woodwork Construction Company unique among its competitors?

5. How long did it take Vince to learn the business skills that were not taught in vocational school, and what were his sources for this learning?

Vince Ghiloni

Answers:

1. Vince received technical training that many of his competitors did not.

2. Vince hires only vocational education graduates because it saves him training time and provides him with a workforce whose capabilities he is more sure of. He is also a member of the local advisory committee of his former school.

3. He feels that his employees are his friends and "a genuine part of the company."

4. It hires only vocational school graduates.

5. It took about nine years. He learned primarily by asking others in the construction business and by reading.

Name: Kay (Casey) Hassinger

Business Name: Hassinger Trucking

Business Address: 313 Park Lane
Redwood Falls, MN 56283

Business Phone: (507) 637-2717

Type of Business: Trailer hauler

While Casey Hassinger was growing up, she had for neighbors a husband and wife team of truckers. Their kind of life appealed to her. Says Casey, "I spent a lot of time watching them and helping with maintenance. I have always enjoyed being outdoors and active, so it was a natural for me." The neighbors allowed her to become involved. "I learned to understand and be comfortable around trucks. Without those people, I might never have developed an interest."

Casey enrolled in truck driving at Alexandria AVTI, Alexandria, Minnesota, after high school graduation. There she was provided with the training needed to obtain a Class A driver's license, learning the rules and regulations of the trucking industry, log keeping, map reading, and other required skills. "The best part was the teachers," say Casey. "They were also my friends." Casey's teachers encouraged her, shared their experience in the industry, and offered sound advice.

She started her own business at the age of 20 with the help of her parents' second mortgage and "an enormous bank loan," which she plans to pay off in 1987.

Casey had worked for other companies by that time, but her experiences were not very satisfying. A small leasing firm she had worked for went into bankruptcy, costing her several thousand dollars in unpaid commissions. In addition, the owner of the first company she worked for after graduation "made a practice of allowing his trucks to fall into bad repair." After being shut down repeatedly for having faulty equipment and being involved in an accident because of brake failure, Casey "decided the only way I could control the equipment I drove was to own it myself."

One of Casey's biggest challenges is that she is a woman in a male-dominated industry. Says Casey, "I have to try a little harder to prove my willingness and ability to do the job." The nature of her business requires her to stop in some pretty rough neighborhoods, so Casey started carrying a registered handgun in her truck, although she hasn't needed to use it yet.

Casey enjoys running her own business. Her parents own an office supply store, so she grew up knowing about the kind of dedication that an owner gives to his business. She is proud of her 1984 Western Star tractor, performing her own regular maintenance and many repairs. Her business is a sole proprietorship. Although she had a net loss in 1985, Casey expects to gross around $80,000 in 1986 and hopes to make a profit for the first time.

In the future Casey wants to own her own trailer and become an independent trucker. When her bank loan is paid off in 1987, she will repay her family the money they loaned.

Section 4

CASE STUDY QUESTIONS

Kay (Casey) Hassinger

Hassinger Trucking

1. What does Casey particularly like about the business she has chosen?

2. As a young woman in a male-dominated business, Casey has had to surmount more than ordinary obstacles to business success. How has she done it?

3. What did Casey gain from Alexandria Vocational and Technical Institute? What more did she learn in her first years in business?

4. Describe Casey's early experiences and family background that led her toward entrepreneurship?

5. What are Casey's immediate business goals? Long-range goals?

Kay (Casey) Hassinger

Answers:

1. Casey likes being active and spending time out of doors. She also likes owning and maintaining her own equipment.

2. Her parents' financial support and a large bank loan provided starting-up funds. Working harder than some male counterparts in order to prove her ability to do the work has also been a factor.

3. Casey gained the knowledge and skills necessary to operate a trailer hauler business. Her learning was aided by her teachers' encouragement and their advice based on their own experiences in the industry. In her first years in the business she learned about pitfalls that she should avoid.

4. Since her parents own an office supply store, Casey learned early what it meant to be the owner of a small business. Her neighbors, a husband and wife team of truckers, also provided early experience that helped shape her course.

5. Her short-range goal is a profitable year in 1986. Her long-range goal is to own her own truck and trailer and be an independent trucker.

Name: T. Bruce Hilliard

Business Name: Bruce's and The Balloonery

Business Address: 130A South Hutchinson Avenue
Adel, GA 31620

Business Phone: (912) 896-4028

Type of Business: Toy store

As far back as Bruce Hilliard can remember, his family has had a retail business. His parents owned a five-and-dime store in the '60's; his mother owned a florist shop in the '70's; and both parents now own a farm and garden supply center. Bruce helped in the family businesses as a child, gaining valuable experience that would serve him well in his own venture.

Following high school, where Bruce concentrated his studies on business-related subjects, he attended Valdosta Tech, Valdosta, Georgia, to gain a more in-depth education in business management. At age 22, after he had run in an election for Cook County tax commissioner and narrowly missed being in the runoff, Bruce decided to start his own business.

He had observed that there were no toy stores--or even toy departments--in Adel. He states, "It was something Adel needed. If you wanted a nice toy, you had to drive 20 miles to find a decent toy store." Bruce financed his store with his own savings and with help from his parents, who pitched in also with "sweat equity."

Stocking mainly national brand items, avoiding short-term fad toys, and being literally "the only game in town" have minimized Bruce's risk. His only close competitor carries imported toys and giftware. Bruce believes "you just have to charge ahead, thinking positive. Life is full of risks, no matter what you do."

Bruce's greatest challenge has been finding ways to buy at prices that enable him to be competitive with multi-store operations in nearby towns. He recognizes his responsibility. "It does tie you down. You have to be there when problems arise, and it's your responsibility if money gets tight." However, Bruce enjoys the customer contact and being his own boss.

Bruce started out with one employee--himself. He hires part-time help during holidays. His business is a sole proprietorship because he wanted to "go it alone." Annual sales for 1985 were $40,000. Bruce put 75 percent of this back into the business.

Being his own boss, Bruce enjoys the ability to set his own goals. "You can run the business the best way you know how and not worry about higher-ups," he says. At present, he is in the process of opening a country collectibles store. He plans to expand his toy store in the near future and hopes some day to own a chain of toy and gift stores.

Bruce feels he owes his success to his solid business background from work and school. "They taught me the skills, such as record keeping and tax knowledge, necessary to run a small business, and to run a business as safely as possible. Lawsuits can put you out of business in a hurry," Bruce says. He also credits his positive, business-like attitude. He is courteous and willing to work long hours. "I don't allow myself to get deeply in debt," he says, "and I try to keep the customers happy. The customer is always right."

Section 4

CASE STUDY QUESTIONS

T. Bruce Hilliard

Bruce's and The Balloonery

1. How did the type of business Bruce decided to go into help to minimize his risk of starting up a toy store?

2. What does Bruce like about making his own decisions?

3. What kinds of responsibilities and problems come with "being your own boss?"

4. What kinds of educational and family resources helped prepare Bruce to start his own business?

5. How does Bruce feel about the risks that he took when he first went into business?

Bruce Hilliard

Answers:

1. His risk was minimized because there was no direct competition in his town. The nearest direct competition was 20 miles distant.

2. Bruce likes the idea of being able to set his own business goals--he can operate his business the way he wants to.

3. "Being your own boss" requires that you often put a lot of time into your business, since you have to be there when problems arise. You also, for example, must find ways to be competitive with larger businesses.

4. Bruce gained business experience by helping in the family business as a child. His parents also pitched in to help when he started his business. To gain a more in-depth knowledge of business management, he attended Valdosta Tech.

5. He feels that life is full of risks and that one just has to "charge ahead" while maintaining a positive attitude.

Name: Lane Craig

Business Name: The Brothers Fish and Pet Shop

Business Address: Blue Ridge Mall
4200 Blue Ridge
Kansas City, MO 64133

Business Phone: (816) 358-6005 or (816) 444-4522

Type of Business: Pet store

Lane Craig's pet store business grew out of a part-time job that paid for his own animals. But the turning point that led to owning his own business was his parents' divorce when he was a sophomore in high school.

That experience, Lane says, "made me grow up and realize that there wasn't anybody in this world who was going to take care of me, except me."

His father and mother had both quit jobs, his father to train horses and his mother to breed dogs and open a grooming shop. Animals were in his background, and selling was in his blood. "I could sell boot laces to your mother if I had to," he says.

Lane built his education around this aptitude. He took distributive education beginning in his sophomore year with a pilot program in his high school, and finished at Cass County Area Vocational School, Harrisonville, Missouri.

To begin with, Lane says, "I was probably one of the worst kids in the whole school, to be honest about it. The last two years, when I finally had made a decision about which way I wanted to go in life, I knew that I had to get my act together and go for it."

He learned selling, advertising, display, merchandising, job interviewing, and "people" skills in vocational classes. Competing in distributive education state contests gave him practical experience. (Now he regrets he didn't take other business courses like typing, accounting, and business law.)

Lane was student council president and a member of the National Honor Society. But he started his first part-time job at age 16, which didn't leave much time for extra-curriculars. "I just made the decision and said, 'Fine, okay, we're not going to play sports, we're going to work towards a goal,'" he recalls.

College was not an option with Lane. "I really didn't consider myself college material," he says. By age 22, his selling ability and vocational training had taken him as far as he could go with the J.C. Penney organization. Management possibilities were out, because he lacked a college degree.

The alternative was to own his own business. He had an opportunity to buy an existing pet store where he had worked part-time. The price was reasonable, and the risks were minimal. At age 22, Lane had no dependents and did not need a high income. Besides, he says, "I was young enough and a good enough sales person, I knew if I had to I could always return to a company like Penney's."

He had learned enough in vocational school to negotiate his own purchase and lease agreements. He didn't hire an accountant until after he owned the business. His initial hurdles are still his biggest problems: not enough hours in the day and never enough cash flow to do all the things he wants to do.

Nevertheless, his business has grown steadily. He started with one part-time employee in one store, and now has eight employees in two stores. He plans to open a third store within the year. He started his business as a sole proprietorship but thinks it will soon be big enough so that incorporating will be to his advantage.

Last year his two stores did over $600,000 worth of business. Lane reinvested all of his profit except what was necessary to live on.

Lane thinks hard work and sincerity have been his keys to success. Now a personable young man of 29, he observes the Golden Rule in his dealings. He knows his customers by their first names and treats them as if he were on their side of the counter.

Some mechanical ability and general willingness help, too. "If it's dirty, I clean it. If it's broken, I fix it or buy a new one," he says.

He considers himself lucky. "I get to do for a living what most people do for a hobby," he says. Nevertheless, animals require a lot of time. "They don't tolerate being put off till tomorrow," Lane observes. "So I have a loss of freedom in the everyday sense, but a lot more freedom in what I do and how I'm controlled."

His advice to hopeful entrepreneurs is not to be afraid. "Plan well, learn well, research well," he says. "Surround yourself with good people and learn all you can."

Section 4

CASE STUDY QUESTIONS

Lane Craig

Pet stores

1. Why did Lane Craig consider his risks minimal when he bought his own store?

2. How did an apparent misfortune--his parents' divorce--yield an advantage to Lane's business career?

3. How did Lane choose his vocational training to make the most of his natural abilities?

4. Setting a goal while still in high school changed Lane's life as a student. Name some of the ways.

5. Being in business for himself has changed his life in other ways, for instance, in the kind of freedom he enjoys. Describe Lane's point of view about trading one kind of freedom for another.

Lane Craig

Answers:

1. Lane felt that his risks were minimal because he purchased his store at a reasonable price when he was young and did not have any dependents.

2. His parents divorce made him grow up quickly and realize the importance of preparing for his future.

3. Lane was a natural salesman so he chose to take courses like selling, advertising, and merchandising to maximize his skills.

4. Setting a goal for his career while he was still in high school resulted in Lane not having time for extra-curricular activities.

5. The "animal business" requires a lot of time which translates into a loss of freedom for Lane. But, he considers himself lucky because he likes what he does and he is in control.

Name: DeAlva Gratz Oakes

Business Name: Alma's

Business Address: 3771 West Andrew Johnson Highway
Morristown, TN 37814

Business Phone: (615) 581-8666

Type of Business: Women's high-fashion clothing store

DeAlva Oakes had a head start on owning her business. Her mother opened it when DeAlva was in school and she helped out in the store from the beginning. Says DeAlva, "My mother has been the key person in my life and my business. She is an extremely hard-working and dedicated woman (who) started the business and worked at getting it all together."

In high school, DeAlva participated in the home economics vocational program at Morristown/Hamblen High School-West in Morristown, Tennessee, where she learned garment construction and was involved with fashion shows.

Following graduation, DeAlva attended the Fashion Institute of America in Atlanta, Georgia, majoring in fashion merchandising, in which she earned an associate's degree. While she felt the lack of training in such subjects as business management, small business accounting, computers, and personnel, DeAlva benefited from her training in public speaking, textiles and fabrics, merchandising and buying techniques. She states, "I learned the importance of my personal appearance in public, an appreciation of fine-quality fabrics and the need for budgeting."

With the help of a bank loan, DeAlva became a partner in her mother's business at age 23. Because she could not afford a professional marketing survey, DeAlva simply "assumed the needs were there." In her small community, she offers unique, high-fashion styles previously unavailable to discerning women of all ages. She also stocks accessories such as shoes, handbags, jewelry, and scarves.

DeAlva is aware that in order to succeed she must keep on top of other current trends such as home furnishings, travel, cuisine and men's clothing. "It all interrelates and has an impact on fashion." She frequently travels to New York City, Dallas, and Atlanta on buying trips in order to survive in the volatile garment industry.

Alma's prides itself in customer courtesy. Says DeAlva, "My employees are trained to make every person who walks in feel recognized, welcome, and very special. I stress 'special' because that's what we are."

The business started with two employees and now has eight. Gross sales for 1985 reached $450,000, and 70 percent of profits were reinvested. Alma's is a partnership.

As for the future, DeAlva says, "A pipe dream in retail is never to have a markdown." Realistically, however, she hopes to expand the clientele, which will in turn, increase sales and profits. DeAlva also wants to open a branch store in another suitable area.

DeAlva enjoys the rewards of having her own business. She likes the control of selecting her own employees and merchandise; "being surrounded by what I truly love--women's fashion clothing"; and knowing there are no limitations on her salary as long as the business continues to expand.

Section 4

CASE STUDY QUESTIONS

DeAlva Gratz Oakes

Alma's

1. Describe the influence of her mother in DeAlva's life.

2. What kinds of formal vocational preparation did DeAlva have for her work?

3. How does she stay up-to-date in an industry that is constantly changing?

4. What makes Alma's special in DeAlva's community?

5. To DeAlva, what are the rewards of being in business for herself?

DeAlva Gratz Oakes

Answers:

1. Her mother was a key person in DeAlva's decision to go into business because of her hard-working dedicated attitude towards owning a business.

2. In high school, DeAlva completed vocational coursework in home economics and went on to continue in fashion merchandising at the Fashion Institute of America.

3. DeAlva enjoys frequently traveling to New York City, Dallas, and Atlanta, to stay current in the fashion industry.

4. DeAlva trains her employees in customer courtesy so that they can make a potential buyer feel recognized, welcomed, and very special.

5. She likes the control of selecting her own employees and her own merchandise.

Name: Sheila Patterson

Business Name: Patterson Limited

Business Address: 702 17th Street, NW
Cleveland, TN 37311

Business Phone: (615) 476-2345

Type of Business: Full-service beauty salon

Sheila Patterson received her vocational training at Bradley Central High School in Cleveland, Tennessee, majoring in cosmetology. There she learned not only the basic skills, but also the artistry of "designing hair through line, dimension, proportion, and balance." Creative by nature, Sheila views hair styling as an art form.

While working for another salon, Sheila became disenchanted with being an employee. She states, "There was no chance for advancement. I was working 10 hours a day, and the only way to improve my income was to increase my clientele, which was impossible. I was spending more time than the owner in the salon and saw no need to give part of my income to someone else."

Sheila and her husband (also a hair stylist) planned ahead for her business start-up. Equipment was purchased as they could afford it, while a savings account provided the financing for her venture.

Targeting potential customers was easy for Sheila. She says, "Anyone with hair is a possible client." Her following from the previous job formed a customer foundation on which Sheila built through referrals and the advertising media. Patterson Limited's location, beside a health spa, contributed greatly to her walk-in business.

Sheila's salon is full-service, including unisex hair styling, coloring, permanents, superfluous-hair removal, tanning beds, and retail sales of the full line of Matrix products. With five stylists, the salon does not require appointments.

Sheila attributes her success to several factors. "I have an unwholesome drive that consumes me, and I thrive on challenge. I am not from a wealthy family, so survival skills are part of my inheritance. I am a strict, self-disciplined person with high expectations." Sheila's father owns an automotive repair business; her stepfather owns a small air conditioner/refrigerator repair shop. She says, "I guess I noticed the control they had with decisions."

Sheila opened her business when she was 20 years old (and looked even younger). Her youthful appearance was a disadvantage Sheila had to overcome. She had to find a landlord who believed in her ability as well as learn how to select the kind of employee she wanted, discover which of the advertising media worked best for her, and learn how to budget.

Patterson Limited is a proprietorship. Sheila began with one employee and now has five, three of whom are former vocational training students.

Sheila stresses that planning is essential. When she recognized her need for more business management skills, she pursued additional training in business management and bookkeeping at a local two-year college.

Loyal clientele and good employees have resulted from building a business based on honesty, trust, and confidence. Complete customer satisfaction is crucial in Sheila's business because service is her business.

When asked about her plans for the future, Sheila replied, "I want to continue growing and expanding in order to become financially secure. My goal is to create a more prestigious image."

Section 4

CASE STUDY QUESTIONS

Sheila Patterson

Patterson Limited

1. How did Sheila's family background prepare her to own her own business?

2. What were her feelings when she worked in someone else's salon?

3. What personal traits enter into her success story?

4. How does the location of her shop help?

5. Where did Sheila turn for further training in business management?

Sheila Patterson

Answers:

1. Sheila was not from a wealthy family so she developed several survival skills. She also liked the control in making decisions both her father and stepfather exhibited in their own businesses.

2. She felt there was no chance for advancement because the only way to increase her income was to increase her clientele. Sheila was already spending more time at work than the owner.

3. Sheila views herself as a strict, self-disciplined person with high expectations. She believes in building her business upon honesty, trust, and confidence.

4. Sheila's shop is located next to a health spa which greatly contributes to her walk-in business.

5. She attended a local two-year college and developed her skills in business management and bookkeeping.

Name: Ralph Scopa, Jr.

Business Name: Scopa Construction Corporation

Business Address: 24 North Street
Randolph, MA 02368

Business Phone: (617) 986-4416

Type of Business: General contractor

Becoming a general contractor was never really a decision for Ralph Scopa. It was something he had always wanted to do.

As a young boy, he was fascinated by construction projects. When he was 12 years old, he started building picnic tables and other small furnishings. They "sold like hot cakes," he said, giving him the confidence to tackle larger projects.

In high school, he built projects from basement rooms to garages. He worked on a framing crew and for a cabinet maker. Ralph's father worked for the state but did plumbing on the side, and Ralph gained a knowledge of plumbing by helping him. His father encouraged him to go into business for himself. "You'll be doing something you like all your life," he told Ralph.

With this inventory of skills, Ralph took two semesters of small business management. But he credits his four years of structural woodwork training at Blue Hills Regional Technical School, Canton, Massachusetts, for a broad range of hands-on experience that taught him the "why" of construction--"Why you needed this in this spot, and a two-by-ten in that spot," Ralph says. It was at Blue Hills, too, that Ralph learned how to estimate jobs, a critical factor for success in his work.

"I've always done estimates correctly, but I guess that's the biggest risk in this business--making sure you figure jobs right," Ralph says, "because that's how a lot of people go out of business."

The business Ralph started in 1980 has done quite the opposite. It has prospered. Scopa Construction Company's sales have jumped from $200,000 last year to $1 million this year. That is twice what Ralph had set as a goal for this year, and it puts him five years ahead of his business plan.

"I had figured that by the time I'm 30, I didn't want to have to be pounding nails every day. Right now I'm only 25, and for the past year I haven't pounded a nail," Ralph says.

He credits his success to hard work, honesty, and trying very hard to please his customers. "My source for financing was hard work, and lots of it," he says. Until recently, he had no bank loans. "To set up my business, I just used to work myself all the time, work, work, and work. I worked probably 15 or 16 hours a day."

Honesty is especially important in his business, Ralph believes. "There are so many contractors who rip people off, I just wanted to be the most reputable person around."

When you own the business, your name is on the line, Ralph points out. You finish the job, even if it costs you money. "You can't just walk off and say, 'I'm not making money, I can't finish this.'"

In fact, the Scopa name is Ralph's most effective advertising. He puts his company sign on every job, but does not do much other advertising. "People call up and say, 'We see your signs everywhere,'" he says.

Ralph puts extra effort into giving his customers what they want and need. "I just love to make people happy and make their dreams come true." he says. To make their decision as easy as possible, Ralph has provided his customers with a showroom that has everything needed to accomodate a new home or major remodel or house addition. His company does small service repair jobs, fire, and multi-family renovations, and second level additions which some contractors will not take.

Ralph now serves as chairman of the advisory committee for the Blue Hills Regional Technical School, which had so much to do with his own success. He is working to put more verbal and public relations skills into the curriculum. "If you can't talk to the customers and sound like you know what you're doing, they're not going to let you do the work," he points out.

Ralph's goal is for Scopa Construction Company to be "the biggest remodeling company around." His latest business venture, with a partner, was to buy some land to build houses for sale.

It has been rewarding for Ralph to see his dreams come true by helping other people realize their dreams.

"People save up their money for the longest time, and they come to us and they say, 'We have this much money to spend and we want this and this done, and we'd like you to do it.' That's really rewarding."

Section 4

CASE STUDY QUESTIONS

Ralph Scopa, Jr.

Scopa Construction Company

1. What early experiences helped Ralph learn his trade?

2. How did his father encourage him?

3. What important learning experiences did Ralph gain from Blue Hills Regional Technical School? What other subjects would he now like to be stressed?

4. What did Ralph use instead of borrowed money to get his business started?

5. What other factors does he believe have been important in his success?

Ralph Scopa, Jr.

Answers:

1. When Ralph was younger he worked on many construction projects, like picnic tables, small furnishings, basement rooms, and garages. He also gained a knowledge of plumbing from his father.

2. His father encouraged him to go into business for himself.

3. Blue Hills gave Ralph a broad range of hands-on experience that taught him the "why" of construction. He would like to see more verbal and public relations skills added into the curriculum.

4. Instead of borrowing money from the bank to start his business, Ralph worked 15 to 16 hours a day.

5. Ralph believes in serving his customers and giving them what they want and need.

Name: Clarence & Clifford Smith

Business Name: Arvilla Well Service

Business Address: Box 105
Bens Run, WV 26135

Business Phone: (304) 684-7159

Type of Business: Oil and gas well site preparation, pipe welding, site reclamation

Clarence and Clifford Smith are twins who used a vocational welding course as a springboard to a $100,000-a-year well service business.

As students at St. Mary's High School in St. Mary's, West Virginia, the Smith brothers were average students. School didn't seem important. But their grades shot up to straight A's when they entered the welding curriculum at PRT Vocational-Technical School.

Clarence and Clifford excelled at welding because they were working in the oil fields as part of their school program. Upon graduation, they continued to work in the oil fields, but they found it to be an uncertain job market. In several months, they'd worked for three employers and never knew when they'd be laid off next.

When one of their employers asked the Smiths to do all his work for him, they saw the opportunity to start their own company. He seemed to have enough work to provide a steady income.

"We just started out from scratch," Clarence says. "It was just a bunch of junk that we had at first." Their mother and father, who own 50 wells and a farm, co-signed a note for a loan so they could buy some equipment.

Clarence feels that the business is well established. The loan is nearly paid off. Their equipment is up-to-date. People respect them.

Oil and gas drilling was big business in West Virginia when the Smiths started their company. So there are a lot of companies that do what they do--build the drilling site, pull the drilling rigs onto the site, set the tanks and lay the gas lines after the well is drilled, and finally, reclaim the land.

One thing that sets Arvilla Well Service apart from its competitors is that the Smiths will not "stretch the truth" to get a job. "There's a lot of jobs that I haven't gotten because I will not lie to a customer," Clarence says. As an example, he tells about a bid that he put a 35-day time limit on. It was summer. If his bid had not been accepted right away, he could have wound up having to plant grass in the winter. "How can you get grass growing in the winter time? I covered myself on my bid," he says. As a result, Arvilla did not get the job.

Another thing the Smiths won't do is buy their customers drinks to get their business. "That hurts business every now and then," Clarence admits. "But why should I have to buy people drinks to do their work? I'm just not going to do that."

Now, with the price of oil depressed, the West Virginia drilling boom is over. But the Smith brothers' face the future with the same philosophy they had in high school sports. "You've got to keep calm. You've got to keep trying," Clarence says. "If you try and try and try, eventually you're going to make it. And we're going to make it," he says. It may not be in J.R. Ewing's style, but "we're going to be here 10 years from now."

One reason is that the Smiths have started operating wells for their producer customers. They make sure each well is producing and give the oil company a weekly report on how much it produced and what work needs to be done on it. They want to get into drilling, too.

They've had as many as seven employees. Now they have two. At first, they had more work than they could handle. Now the challenge is to survive. One thing that helps is their skill as welders. "This probably saved us $50,000 in the last five years," Clarence estimates. They'd like to have learned accounting and computer skills as well.

The brothers take pride in their work. "It feels good that two years down the road you can be going around to your wells and say, 'Hey, that job couldn't have been done better,'" Clarence says.

His advice to new entrepreneurs: "Go slow, take your time. If everything looks good, remember, there's a hard time coming ahead."

Section 4

CASE STUDY QUESTIONS

Clarence and Clifford Smith

Arvilla Well Service

1. What risk were the Smith twins taking when they started their own business? What advantages did it have over continuing to work for others?

2. The oil industry has more ups and downs than many businesses. How are the Smiths coping with the current down cycle?

3. What advantage have they gained by being able to do their own welding?

4. How are they different from their competition?

5. The Smiths had several very good years before the price of oil fell, and that helps them weather the current depression. How else might one prepare for the "hard times ahead" that Clarence warns about?

Clarence and Clifford Smith

Answers:

1. The Smiths were risking that the demand for oil and gas would remain constantly high. However, in the uncertain job market, they no longer had to worry about when they would be laid off from their jobs.

2. They have reduced their employees to two and are now providing the service of operating the wells for their producer customers. They check wells and send weekly reports on production and work that needs doing.

3. They have saved $50,000 in the past five years.

4. They will not "stretch the truth" or try to buy a job by going out for a drink with potential clients.

5. By learning skills such as accounting and computers and running the business honestly and efficiently.

Name: B. John Smith

Business Name: Appalachian Chair Company

Business Address: P.O. Box 267
Talbott, TN 37877

Business Phone: (615) 581-5086

Type of Business: Oak furniture manufacturer

John Smith and his parents opened Appalachian Chair Company in 1978, when John was 15. They had noted a lack of reliable sources for high-quality pressd back chairs, which they felt they could produce at prices comparable to those of the inferior items. Also, according to John, "I wanted to become the third generation of my family to enter the woodworking industry."

John had studied Vocational Woodworking at Morristown West High School, Morristown, Tennessee, gaining an understanding of the full capabilities of the machinery. This was a great asset to the business because when it began, the amount of machinery was limited.

John received additional vocational training in mechanical drafting, vocational agriculture, and marketing. His mechanical drafting skills aid in furniture design; the vocational agriculture training allows him to make his own electrical and mechanical repairs, a major saving for the company; and the marketing knowledge contributes to efficient inventory control.

Appalachian Chair Company is a corporation held privately by John and his parents. Together, they manufacture oak furniture, specializing in pressed back and Windsor-style chairs. Sales are nationwide, grossing $1,125,000 in 1985, with 95 percent of profits reinvested. John is especially proud of his company's reliability in the areas of product quality and accurate shipping dates. He says, "We put forth great effort to see that our product is easily distinguishable from those of others. As a result, we are the most copied company in the field." Because of the product excellence, very little sales promotion is necessary.

As a part owner and vice president, John feels the greatest hurdle he had to overcome was his age. He credits his vocational agriculture with teaching him "assertiveness and how to speak with maturity when handling business matters." His business responsibilities include production and design, engineering, machine development, product research and development.

The business started with a small bank loan, which has been repaid. By continually reinvesting profits, John has seen the company expand into a 36,000-square-foot facility with $500,000 worth of machinery and an output of 1,000 units per week. There are 32 employees.

As for future plans, John states, "Our most important goal is to ensure financial security for our families and to cover our labor force well enough that they can consider their jobs lifetime careers." He wants to offer a wider variety of products and to add dry kilns and a finishing department to lessen the company's dependence on outside sources.

Appalachian Chair Company strives to meet its customers' needs. "We stand behind our products 100 percent," says John. "If a unit does happen to fail, we replace or repair it with no excuses. We know we aren't the largest producer of unfinished furniture, but we have come to be recognized by our customers as the most dependable."

Section 4

CASE STUDY QUESTIONS

B. John Smith

Appalachian Chair Company

1. John belonged to a family of entrepreneurs. How did he further prepare himself to join and add to the family business?

2. In vocational school, he studied several disciplines besides woodworking. How did each field of knowledge contribute to the profitable running of the business?

3. Appalachian Chair Company, says John, is not the biggest business of its type. Instead of size, how does the family strive to distinguish their company and their product?

4. What are their financial goals?

5. The Smiths reinvest almost all their profits in the company. What are the kinds of expenses this reinvestment must pay for?

B. John Smith

Answers:

1. John studied woodworking in vocational school to prepare himself to become the third generation in the family to enter this business.

2. He received additional training in mechanical drafting which aids in furniture design; vocational agriculture training allows him to make his own electrical and mechanical repairs; and marketing leads to efficient inventory control.

3. Appalachian Chair Company is not the biggest but they are recognized by their customers as the most dependable.

4. Financial goals are important to his family's security and to his employees so they can consider their jobs as lifetime careers.

5. Company reinvestment pays for product quality and guarantee.

Name: Patricia Ann Stewart

Business Name: Chinoo's

Business Address: 8752 South Ada
Chicago, IL 60620

Business Phone: (312) 239-6125

Type of Business: Dressmaking

When Patricia Ann Stewart's parents brought her home from the hospital, her brother and sister were too young to say, "Patricia." But they asked, "Is she new?" and "Chinoo" has been Patricia's nickname ever since.

For this talented young Black seamstress and designer, Chinoo is now the name of her business, too. Chinoo's grew out of Patricia's hobby, skills and interests, and her family's dry cleaning business.

While going to school, Patricia worked as a tailor in two dry cleaning establishments, one of them her father's. At Calumet High School, Chicago, Illinois, Patricia's competence as a seamstress came to the attention of one of her teachers, who asked her to make her clothes.

Patricia majored in clothing in high school, and took draping, pattern making, and textiles at a Chicago fashion academy following graduation. Each year, her creations won awards in Chicago fashion shows. A "very, very quiet" but hardworking student, Patricia says her participation in the fashion shows helped her to be able to talk to people.

Now 22, Patricia is majoring in fashion and design at Harper College in Palatine, Illinois, and operating her seamstress business at her parents' home. She sews for wedding parties and fashion shows. Last year, her part-time business grossed about $2,500, and Patricia invested a quarter of that back into the business.

Her major expenses are the machines she must have to do professional dressmaking. She saved money for three years to buy an industrial sewing machine, a home sewing machine with a zig-zag stitch and a serger. She's still saving to buy a hemming machine.

In her business, Patricia says, "You must know how to work with all types of store machines. You must know how to sew very well and have a lot of patience and be as creative as possible."

Her fashion training has sharpened the considerable sewing ability she already had. But now that her hobby has turned into a business, Patricia feels the need for more business training. She will take business classes after she graduates from college.

"I would like to have taken business, marketing, and more accounting. Lack of business knowledge hurts a lot, because you need to know exactly what you're doing," Patricia says.

For instance, she is caught in a pricing bind that she thinks better business training might have helped her avoid. "If I had taken a business class, I would know how to price my clothes better than I do now. My prices aren't where they're supposed to be," Patricia admits. "But if my prices were above what my clientele can pay, then that's going to hurt me even more."

Her advice: "Anyone who thinks about starting a business should take business classes."

Patricia has a lot of goals for the future when she can devote full-time to her dressmaking business. "I would like to see some of my designs in a clothes store," she says, " and I would like to take my business out of my mother's house."

Though she now sews from commercial patterns, next year she wants to design patterns to sell to fashion companies. The veteran of many fashion competitions, Patricia wants to have her own fashion show, fearturing only her designs. She knows she will someday be able to hire someone else to help her, as the business grows.

The satisfaction of her work is pleasing her customers and "just knowing that I can do it." The opposite side of the coin--failure--is depressing to Patricia. "But I say to myself, 'Well, you failed, but you've got to go on,'" says Patricia. "So I go on with whatever I've got to do."

Section 4

CASE STUDY QUESTIONS

Patricia Ann Stewart

Chinoo's

1. In a sense, Patricia Stewart has been preparing all her life for her own fashion business. What did this preparation consist of?

2. What other training does she think she needs?

3. What present problems might be helped?

4. What skills are called for in dressmaking? Which ones was Patricia born with and which ones has she learned or improved through school?

5. How has her work helped her overcome shyness?

Patricia Ann Stewart

Answers:

1. Patricia majored in clothing in high school and worked as a tailor in two dry cleaning establishments. She also made clothing for other people and participated in fashion shows that displayed her creations.

2. She feels that she needs business, marketing, and more accounting coursework.

3. She feels that business classes might help her to better price her creations so that people will pay what the clothes are worth without overpaying.

4. Dressmaking skills include working with all types of store machines, patience, creativity, and basic sewing skills. School helped her to improve her ability to talk with people.

5. Patricia's participation in school fashion shows helped her to overcome her shyness.

Name: Dale E. Wynn

Business Name: DWyco Office Products

Business Address: 130 East Fifth Street
East Liverpool, OH 43920

Business Phone: (216) 385-5634

Type of Business: Retail office supplies and equipment

The choice of entrepreneurship came naturally to Dale Wynn. From childhood, "I was surrounded by free enterprise in action," he says. His father owned and operated many businesses, including a used car lot, body shop, and several gas stations. Grandparents on both sides of the family had been in business for themselves, and so were both of Dale's brothers.

These examples "proved to me that you could operate your own business, create your own destiny, and become self-supporting," Dale says.

When he was just 13, Dale had a photography studio in his home. Later, he sold salvage items at local flea markets. Looking for a store front for these sales brought him the opportunity to open his own office supply business.

One landlord showed him an inventory of office goods left behind by a previous occupant. Dale had saved enough--$6,000--to purchase the inventory and open his own store.

"I always liked the stationery line from my days in the flea market because I knew that kind of material sold well," Dale says. He studied the competition and learned that people were unhappy with the other office supply stores in town. They were high priced; goods were not arranged so that customers could examine them and make their own selections.

Dale was still in school. His mother and father ran his store in the mornings while he attended classes. Earlier on, he had done just enough school work "to get by." Now he knew where he was headed. "I began to realize if I could learn enough now, it would enable me to get a head start," he says.

In high school, he followed a business curriculum. He entered the distributive education program at Columbiania County Joint Vocational School in Lisbon, Ohio.

Practical experience in the school store was extremely valuable. Dale was placed in charge of the Christmas Gift Store and given the entire responsibility for purchasing, making displays, promoting the merchandise, and preparing profit/loss statements. Working in the school store "naturally taught us the basic skills such as purchasing, display, bookkeeping, selling, advertising, and general retail operations," he says.

His photography hobby has helped him in his business. He prepares many of his own advertisements and displays. He has some carpentry skills which he has used to build display shelves and remodel his storefront.

Dale feels that because of his youth, he has had to prove himself as a businessman to the estblished businesspeople in his community. He has met and bettered his competition through lower prices, by buying off-brand items and closeouts; by a vigorous advertising program using billboards and direct mail as well as newspaper, radio, and television; and by stocking over 10,000 items so he can offer fast delivery.

Dale enjoys selling, dealing with people, and working long hours. He has a knack, he says, for choosing items that sell well and pricing them fairly.

What started as a family business now employs seven people, and last year DWyco Office Products had sales of $250,000. Last year was the first in his five years in operation that Dale drew a salary. The previous four years he had put all his profit back into the business.

He believes that by the time his business is 10 years old, he can be selling over $1 million a year. He has ambitious expansion plans. He wants to put stores in five neighboring communities and is negotiating to buy a discount store that anchors a retail plaza, with hopes eventually of owning the plaza and parking lot.

Dale's business has spun off an investment company for purchasing land and buildings for resale. He wants to sell inexpensive older homes on land contract to people who otherwise could not afford to own their own homes.

DWyco Office Products started as a sole proprietorship, since that was the least expensive way to start. Now, due to the size of his ever-expanding business interests, Dale is filing the paperwork for corporate status.

He finds his reward not so much in making money, but in continuing to grow and in "living the American dream."

"Starting your own business is truly the 'last frontier,'" Dale says.

Section 4

CASE STUDY QUESTIONS

Dale E. Wynn

DWyco Office Products

1. What boyhood experience influenced Dale Wynn toward entrepreneurship?

2. Describe his early business ventures.

3. What personal characteristics and hobbies did Dale have that helped him in business? How does he use them to make a success of DWyco Office Products?

4. When did Dale "get serious" about school?

5. What were Dale's most valuable learning experiences in vocational school?

6. To Dale, what are the big rewards of being in business for himself?

Dale Wynn

Answers:

1. His father, both sets of grandparents, and brothers owned their own businesses. He was "surrounded by free enterprise in action."

2. At the age of 13, Dale had his own photography studio at home and later sold salvage items at flea markets which led him into his present business.

3. Dale is a "people person" who enjoys selling and working long hours. His knowledge of photography has helped him prepare advertisements and displays and his carpentry skills have been used to build display shelves and to remodel the storefront.

4. When he realized that if he learned enough now, he would have a head start in life.

5. The practical experience he gained by being placed in charge, and given full responsibility for running the Christmas Gift Store. He learned the basic skills of purchasing, displaying, bookkeeping, selling, advertising, and general retail operations.

6. Being able to continue to grow and "living the American dream."